

UK manufacturing Has it slimmed down too far?



**Prof William Stewart** What scientists had been clamouring for



Out to hunch Business entertainment around the world



New Government, new country



## FINANCIAL TIMES

Monday July 27 1992

EUROPE'S BUSINESS NEWSPAPER

D8523A

#### Wellcome sets shares offer price at 800p

Wellcome Trust set an 800p price on the sale of shares in Wellcome, the drugs company, bringing to a successful conclusion the biggest non-privatisa-tion share sale ever mounted which will raise \$2.1bn (\$4bn). The price compares with Friday's close of 826p and was considered a narrow discount given the size of the issue and the recent difficult market conditions. Page 15

Japanese elections: Japan's ruling Liberal Democratic party tightened its hold on power by capturing at least 68 of the seats contested in the election for half the total seats in the Upper House. But the voter turnout was estimated at 48 per cent. well below the previous low of 57 per cent. Page 14; Japan's voters spurn 'ox-walking opposition', Page 3

North American trade talks: Hopes of a breakthrough in talks between trade ministers from the US, Canada and Mexico on the North American free trade agreement appeared not to have been achieved. Page 14

Food relief abantioned: The United Nations abandoned efforts to send food overland to 70,000 Moslems trapped in the eastern Bosnian town of Gorazde by Serb forces as trainloads of Bosnian refugees arrived in Germany. Page 2

ming surprise at Olympics:



Neison Diebel of the US won the gold medal in the men's 100 metre breaststroke final in what had become the most competitive swimming event of the Games after nine of the fastestever times were set in the past 12 months. However, his time

was 1 minute 1.50 seconds, failing to beat the 1 minute 1.33 seconds world record of Hungarian Norbert Rozsa, who came second, with Phil Rogers of Australia coming third. Page 9

Lamont stands firm: Norman Lamont, the UK chancellor, hardened his defence of the government's tough economic strategy in the face of renewed calls for other approaches to remedying Britain's economic woes. Page 14

Zale Corporation, the world's largest jewellery retailer which in January sought protection from its creditors under chapter 11 of the US bankruptcy code, filed a reorganisation plan with the Dallas courts after revealing net losses of \$960m for the year to end-March, against \$54m. Page 17

Aer Lingus reduced the value of its stake in GPA Group, the aircraft leasing group, by It21.9m (\$38m) in its annual accounts after GPA's failed international public offering. Page 16

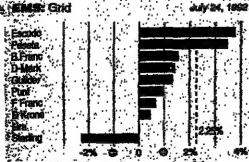
Peace negotiations: Arab states and Israel are expected to resume peace negotiations in Washington next month after Arab foreign ministers endorsed an early resumption. Page 3

Ukrainian bond aid: Americans and Canadians of Ukrainian descent are hoping to emulate the success of State of Israel bonds by raising money for their homeland through a series of interest-beer ing Ukraine bonds. Page 15

UK building contractors have reduced their charges for construction work by up to 30 per cent since 1989, emphasising the depth of the recession. Page 6

European Monetary System: Sterling remains at the bottom of the grid after making up lost ground against the D-Mark on Friday to close at DM2.85. The lira managed to stay ahead of the pound by repeated central bank intervention and a tightening of monetary policy by the Italian government. Analysts believe that if the dollar breaks out of its current range and rises against the D-Mark, the pressure on sterling and the lira could ease. Currencies, Page 25

EMS: Grid



The chart shows the member currencies of the erchange rate mechanism measured against the weakest currency in the EMS's narrow 2.25 per tuation band. In practice, currencies in the EMS narrow band cannot rise more than 2.25 per cent from the weakest currency in that part of the system. Sterling, the Spanish peseta and to the Portuguese escudo operate with six per cent

Italian reform: Consob, Italy's stock market and companies watchdog, released its long-awaited rules governing takeover bids in a further step to reform the stock market. Page 17

Tour de France: Cyclist Miguel Induraln of Spain won his second successive Tour de France Italians Claudio Chiappucci and Gianni Bugno were second and third respectively.

Win for England: England beat Pakistan by six wickets in the fourth Cornhill Insurance Test at Headingley to level the series 1-1.

Motor racing: Nigel Mansell of the UK won

Austria	Sc300	Hungary	R 162	Malta	Lo0.50	S.Arabia	SA9.00
Bahrah			JKr180	Maracco	MOh11	Singapon	854.10
Balcino	BF169	India	Rs20	Neth	Pt 3.50	Spala	Pta200
Crorus		Indonesia	Ro3800	Niceria	Ngjeg20	Sweden	SKr14
						Switz	
Denmerk		Italy	L2500	Oman	OR1.20	Theiland	8M50
Egypt		Jordan					Din1.000
Finland		Korea W					
France		Kuwait					
German		Lebenon					
Green	Dr250	LIBE	J Fr60	Ostar	OS 10.00		

FINANCIAL TIMES OFT No 31.820 Week No 31



Weighing the options in weekend talks at the US president's Camp David retreat are, from left, Vice-President Quayle, President Bush, defence secretary Richard Cheney, national security adviser Brent Scowcroft, General Colin Powell, chairman of the joint chiefs of staff, and CIA director Robert Gates

## Iraq bows to UN pressure

By George Graham In shington and Michael Littlelohns at the United Nations

IRAQ yesterday averted its most serious clash with the United Nations since the end of the Gulf War by agreeing to allow inspec-tors to search its agriculture min-

Mr Rolf Ekeus, the UN official overseeing the dismantling of Iraq's weapons of mass destruction, was due to leave for the Iraqi capital yesterday to lead a new UN inspection team agreed in talks between the UN and Iraq

Mr Ekeus said he was leaving for Baghdad to supervise the situation. Asked if the crisis was over, he said: "I feel the immediate problem is now settled. I am convinced about that."

But US administration officials last night refused to lift the threat of military action against Baghdad, citing other examples of Iraqi defiance of UN resolu-

tions. The US, France and Britain have made increasingly overt threats of military action in the last week after UN inspectors were denied access.

UN inspectors were forced to camp for 18 days outside the ministry which they believed housed information on Iraq's missile programme. Increasingly hostile demonstrations finally forced them to leave the country.

Mr Abdul Amir al-Anbari, Iraq's ambassador to the UN, said the dispute had been resolved "to the mutual satisfaction of both the commission and the Iraqi

Mr Ekeus said he had selected a new team composed of Germans, Swiss and Russians. Mr Anbari had indicated earlier that the team would include only inspectors from nationalities who did not participate in the US-led

Mr Ekeus acknowledged a probability that during the standoff the ministry building had traqi president flexes his ....Page 4 Bush in a quandary over .....Page 4 Baghdad Editorial Comment....Page 12

been "effectively cleaned out." But there still might remain material significance for the UN inspectors, including some that was related to missiles and nuclear weapons.
Asked if Iraq's intransigence

had thwarted security council efforts to eliminate its heavy arms capability, he said: "I think we have successfully identified existing weapons and destroyed them." Even more important was that the Iraci production capability had been destroyed, and there was no possibility of a major new effort to reconstruct the missile

He said that operations since the ceasefire meant Iraq was no longer a "threat through intimi-

dation and terror". But it still had a formidable air force and strong conventional land force. US officials warned yesterday

that the resolution of the inspection crisis was only one element in a pattern of confrontation by Iraq. Administration officials warned Iraq that they still wanted full compliance with all UN resolutions, and refused to lift the threat of military action. Mr James Baker, the US secre-

tary of state, in the Philippines earlier yesterday said: "What really troubles us isn't just the stand-off at the agriculture ministry. It is the general flouting of UN security council resolutions across the board that tends to destroy the credibility of the UN as the world's pre-eminent peacekeeping body."

Mr Lawrence Eagleburger, the deputy secretary of state, said that even after the resolution of the immediate crisis "it is likely that something will continue to happen until he gets into compliance" with the other UN resolutions Iraq has defied. Mr Richard Cheney, the US efence secretary, said that as

well as giving unrestricted access to UN inspectors, Iraq must:

• Agree to the destruction of anything that supports a prodestruction and ballistic missiles. Agree not to use military force to suppress the Shi'a in the

· Participate in the UN-sponsored commission to resolve the boundary dispute with Kuwait. Allow UN refugee and human itarian officials to continue to have unimpeded access to Iraq. The key issue here is whether

or not Iraq is willing to comply with the UN Security Council resolutions that they agreed to as part of the ceasefire arrangements at the end of the Gulf War," Mr Cheney said in a television interview, after a meeting between President George Bush and his top security advisers.

THE GREAT WAY

TO SOUTHERN

AFRICA

#### Bank of Japan discount rate cut expected

By Robert Thomson in Tokyo

JAPANESE government leaders welcomed reports yesterday that the Bank of Japan will cut official interest rates as early as today in an admission that the economy is in worse shape than the bank had previously con-

The central bank's reported plan to cut the official discount rate (ODR) from 3.75 per cent to 3.25 per cent encouraged the securities industry, which feared that the Tokyo stock market would continue to fall this week after losing 3.4 per cent on Friday

to close at a six-year low. Central bank officials had hoped that the lowering of the ODR from 45 per cent on April 1 would be the last cut for the year, but a quarterly economy forecast published last week recognised that economic recovery would not, as predicted, come

in the autumn. After the deregulation of Japan's financial markets, the effects of an ODR cut will be more symbolic than real, although it would encourage downward movement in market rates. In recent days, the central bank has allowed market rates to fall, heightening speculation that a cut was imminent.

A rate cut is certain to be widely interpreted as an attempt to boister the alling stock mar-ket, but Mr Yasushi Mieno, the Bank of Japan governor, has previously insisted that "official interest rates are not reduced to

port share prices". Mr Mieno is concerned that growth is being retarded by the simistic mood" of Japanese consumers. The bank is also worried that pressure is increasing on Japanese financial institutions, which are restructuring a growing number of corporate clients exposed to the stock and property markets, and unable to trade themselves out of trouble. At the same time, Japan is under growing US pressure to meet the official 3.5 per cent growth forecast for the year to

Continued on Page 14 Election, Page 14 Peace, prosperity and corruption, Back Page, Section II

## **US Sprint likely** to win British telecoms licence

THE UK government is on the verge of granting to a US telecoms carrier a licence which would break the duopoly of British Telecom and Mercury in UK international telephone traffic. Insiders at the department of trade and industry say that Mr Michael Heseltine, trade and industry secretary, is "on the brink" of giving the licence to

privately-owned US Sprint, the third-largest long-distance telecoms carrier in the US. A decision may come within two Sprint applied for an interna-tional facilities licence in January, but the application was delayed by April's general elec-

tion. The move to open up the system follows last year's tele-coms policy paper which provided for don stic network competition but was vague on international communications, where BT and Mercury achieve their highest profitability. The intention was to bring "re-sale" into the international market, where the country at the

Mercury and then seek to sell usage to customers at lower

There is considerable pressure to grant Sprint's application, as ministers believe that the international network is the market sector where prices are most out of line with costs. The Conservatives' election manifesto promised that "the work of liberalising markets which were once mono polised goes on".

But ministers are concerned

that if the UK market is alone in opening itself up to competition British companies could be at a disadvantage, and that foreign telephone companies could abuse their power in overseas markets to distort competition in the UK. The DTI regards most foreign telecommunications regimes as "pretty much closed" to international competition, and is even slightly sceptical about the liberal nature of the US system. One official commented that although

the US system is apparently open

LONDON - PARIS - FRANKFURT - NEW YORK - TOKYO

to competition, in reality the way the regulatory system works makes it difficult for foreign operators to work effectively. other end had an equally open telecommunications market. If The Americans have said they will make some changes, but even those would leave the margranted a licence, Sprint could lease international cable and satket more regulated than in the ellite capacity in bulk from BT or

#### Lloyd's poised to have new chairman

MR David Rowland, chairman of Sedgwick, the UK's second biggest insurance broker, is expec-ted to become chairman of Lloyd's of London in a move likely to boost confidence and spur reform at the troubled insurance market.

The outgoing chairman, Mr David Coleridge, will today endorse Mr Rowland as his successor to the top job at Lloyd's at an extraordinary general meeting called by dissatisfied Names. It is the first Lloyd's EGM in a

Mr Rowland will have to be elected to the 28-man council, the Lloyd's governing body, which will select the new chairman from among its own number in December. But the council is already understood to have sig-nalled its support for Mr Row-

Mr Rowland is understood to have accepted the job in princi-ple, a full-time peld post lasting for three years and beginning on January 1 1993. Mr Coleridge will leave as originally planned in December after two years in the

Continued on Page 14

Meneoed Funds

#### Travel to Southern Africa in style with SAA. With daily flights from Heathrow Terminal 1 and weekly flights from Manchester (with additional services from London and Manchester coming shortly!) you access a route network

destinations throughout Southern Africa.

serving 25

airport lounges, gourmet cuisine, fine wines and award winning in flight service and our new 'spouse' fares to help you share the experience at bargain prices, it's no wonder we've been

And with our special

voted best airline to Africa for four years.



Call your travel agent or contact your nearest SAA office: 251-259 Regent Street, London WIR 7AD. Tel: 071-734 9841. 1 St. Ann Street, Manchester M2 7LG. Tel: 061-834 4436. 14 Waterloo Street, Birmingham B2 5TX. Tel: 021-643 9605. 85 Buchanan Street, Glasgow G1 3HR Tel: 041-221 0015.

THE Italian government's emergency economic package faces a decisive week in

L30,000bn (\$26.5bn) through revenues and spending cuts, is due to be debated by the Chamber of Deputies by Wednesday. Mr Giuliano Amato, the Socialist prime minister, has yet to decide whether to urge a vote of confidence, but he may be forced to do so to ensure swift approval.

Some 500 amendments have been tabled mainly by the populist Lombard League and the breakaway communists grouping. Reconstructed Communism. But so far the package, announced on July 10, has gone through the lengthy parliamentary proce-

Mr Amato said at the weekend that be had repeatedly underlined the dramatic state of Italy's finances to all 16 parties in parliament over the past two weeks, and believed the message for urgent action had

continued weakness of the lira and latest figures on the public sector deficit. During the first five months of the year the deficit reached L83,000bn, 24 per cent higher than the same period in 1991.

Even with the emergency package this means the deficit for 1992 is unlikely to be less than L150,000bn against the original estimate of L128,000bn, equivalent to 10.3

Mr Amato's government - backed by the Christian Democrats. Socialists, Social Democrats and Liberals - only has a 16seat majority in the chamber of deputies. But the prime minister still hopes to broaden his support, encouraged by a softening of the small Republican's party's

By Halg Simonian in Milan

privatisation programme.

He gave no details of the items

However, bankers believe a

**NEWS IN BRIEF** 

Hindus halt

building

of temple

HINDU fundamentalists

stopped building a temple on

the site of a 16th-century

mosque vesterday taking some

allow Prime Minister P.V.

Narasimha Rao to resolve the

dispute over whether Moslem's

or Hindus had first call on the

work when Rao gave us a cate-

gorical assurance that he would take personal interest

to resolve the dispute within

three months," Ashok Singhal,

leader of the Vishwa Hindu

Parishad, World Hindu coun-

Albanians straggled to the polis in searing heat yesterday

in their first free municipal

elections since the second

world war, AP reports from

Tirana. After most poliing sta-

tions closed at 6pm, the Cen-

tral Electoral Commission

reported that preliminary fig-

ures indicated only a 60 per

Polish PM seeks

The two-week old government

of Polish Prime Minister

Hanna Suchocka is to ask for

powers to rule by decree to

improve the efficiency of gov-

ernment work, the PAP news

agency reported yesterday. AP

President Lech Walesa dis-

cussed the question with Mr

Suchocka after religious cere-

monies in the Baltic port of

Gdansk. The decrees are

expected to allow the govern-

ment to bypass the lower

house of parliament, which is

faced with an overwhelming

backlog of vital economic leg-

reports from Warsaw.

rule by decree

Low turnout in

Albanian polls

"We agreed to call off the

shrine in Ayodhya.

THE Italian government decided at the ekend to send 7,000 troops to Sicily to bolster the security forces in their operations against the Mafia on the island, writes Robert Graham.

The use of the army marks a significant escalation in the fight against organised crime; it is the first time in the post-second world war era that army personnel have been deployed in this way. The troops will protect public buildings, highrisk personnel and conduct searches.

The move follows the Sicilian Mafia's increasingly brazen defiance of the state. The organisation is considered responsible for the assassination of Italy's two leading anti-Malia magistrates, along with eight of their bodyguards, in the past

He admitted last week's decision to abandon the creation of two superholdings to facilitate privatisation of the main state entities was a political set-back. However, Mr Amato said the two superholdings risked becoming unworkable.

He confirmed reports that Prof Giuseppe Guarino, the industry minister who proposed the scheme, had offered to resign. One of the factors weighing against the move was Mr Amato's discovery that the Italian banks, who were expected to underwrite bonds to the tune of L4,000bn this year in the superholdings, would have done so only if specifically pressured by

the prime ministe Mr Amato said he believed it would now be easier to privatise directly through the main state entitles, which in the past two weeks have become joint stock companies. He expected the first privatisation move would come from the flotation of Agip, the oil exploration subsidiary of ENI, the state

Rome considering new tax incentives



He also hinted IRI, the main state holding, might sell off one of its banking sub-sidiaries. The government, he said, was still committed to raising at least LA,000bn through privatisations this year.

Mr Amato said the abandonment of the two superholdings did not mean a change in his government's broader aim of slimming down the state sector. Control of the four main state entities which had become joint stock companies - IRI, ENI, Enel, the electricity authority, and INA, the insurance institute - was in the hands of

There is likely to be a big battle over how IRI obtains new funds, if it is to remain as head of a group controlling a L79.000bn turnover with debts of L60,000bn. IRI is due to have its new statutes approved on August 6 but it only has

Brazilian president's former private secretary to testify

## Collor crisis nears climax

By Christina Lamb in Rio de Janeiro

BRAZILIAN President Fernando Collor's desperate bid to save his political career is expected to come to a head today with the crucial testimony of Mr Claudio Vieira, his. former private secretary, which Mr Collor says will prove his innocence of corrup-

tion charges.

The crisis has gripped the nation for two months, since Mr Collor's younger brother accused him of corruption. This provoked a congres inquiry (CPI) into alleged extortion by the president's friend, campaign treasurer and

César Farias, who is known as

The noose had tightened around Mr Collor last week after documentary evidence presented to the CPI revealed financial connections between Mr Farias, the government and the president's family. Congressmen from all parties

emerged shocked from CPI sessions in which they scrutinised more than 40,000 cheques. receipts and bank statements made available by the central bank and federal police. The documents allegedly show that Mr Farias was running a kick-back scheme, controlling 30 per cent of the government budget and receiving millions of dollars from construction compagovernment contracts.

Questioned by the police, the owners of these companies have been unable to explain the payments which, in one case, amounted to Sm.

According to Brazilian press reports, the documents also show that Mr Farias and his companies, often using fake names, were paying the presi-dent's household expenses including his car, fittings, payments to his first wife and the wardrobe of his second wife.

Calls for the president's ment have reached a new level and his future hinges on today's evidence. Mr Collor has claimed in a nationwide

nies in exchange for arranging address that he has had no contact with Mr Farias for two years and that Mr Vieira was controlling all his bank accounts.

्रा

Mr Collor, who returns to Brazil today from the opening of the Olympic Games in the victim of a "campaign by conpmakers". The last few days have seen demonstrations of support for the vice-president who would take over in

the event of impeachment. Mr Benedito de Figueiredo, a congressman from the PFL, the main pro-government party, defected last week, claiming, "there is no way to deny that the president is in-

#### Romanian economy in decline

ROMANIA'S already weak economy declined further in the first half of 1992, figures published by the country's statistics commission indicate, writes Virginia Marsh in Buc-

Mr George Danielescu, minister of finance, described the country's half-year economic indicators as grim. He singled out the continuing drop in industrial production and high inflation as particularly nega-

Industrial production fell by 19.5 per cent in the first half, contributing to an overall decline of 47 per cent since 1989 when the Ceausescu regime was overthrown, while consumer price inflation has this year averaged 10.4 per cent

Inflationary pressures will remain high in coming months due to the near 100 per cent devaluation of the leu in the past three months and to a further 25 per cent reduction in subsidies on many basic foods due on September 1.

On a more positive note, Mr Danielescu stressed Romania's foreign debt - \$3.24bn or \$141 per capita - remained low and compared favourably with Bulgaria, Poland and Hungary, where per capita debt exceeded

He was also encouraged by cent against last year's period. exchequer. He raised hopes for rates to flowers.

\$1,200.

## Ministers to push for VAT accord

By Andrew Hill in Brusseis

ONE of the largest remaining obstacles to a barrier-free European market could be removed later today, when EC finance ministers will make their strongest bid yet to agree minimum VAT rates and excise duties.

At a 10-hour meeting in Brussels last week national officials swept away some of the remaining hurdles to a harmonised indirect tax regime.

The British presidency of the EC has now arranged for ministers to have a whole day to tackle the remaining problems, following up their meeting last month when they came close to agreeing the package of eight indirect tax directives.

If they fail, further discussion will be delayed until after the EC's unofficial summer break, making it practically impossible to implement the new system by the end of the year. That would give member states an excuse to postpone the lifting of border controls on goods come 1993.

"It is essential that we don't wait for the September meet-ing, but sort these things out on Monday," said a senior Commission official at the

The meeting will be chaired by Mr Norman Lamont,

he indicated the UK could relax its long-standing opposition to a binding minimum standard VAT rate of 15 per cent. At today's meeting the British paymaster general, Sir John Cope - who will represent London's position - is likely to insist that the directive on rates should be reviewed after four or five

The greatest worry is that agreement on the whole pack-age might be detailed by individual national concerns about the tax rating of everything from children's seat-belts to guide dogs for the blind. Mr Lamont is expected to

table a compromise en one out-standing problem - excise duty on whisky. The deal will be based on an earlier Portuguese compromise which would split national duties into two tiers. Ministers will be asked to decide where to fix two levels of duty. Under the Portuguese suggestions, only Spain would have to increase its tax on spirits, while duty in most other countries would be frozen at current rates.

Other potential problems include Belgian concerns about the VAT exemption for gold in neighbouring Luxembourg. France is also worried that the Netherlands and Germany may Britain's chancellor of the win the right to apply reduced

#### Paris trims campaign for Yes to Maastricht

THE French government has cancelled a radio and television campaign for a Yes vote in the September 20 referendum on European union, after the CSA broadcasting authority demanded changes.

opposition claims that the

However, the government claims it has not climbed down and will continue with a poster campaign, to start in 75 newspapers and on 6,814 billboards today, representing well over half the campaign's

Mr Mitterrand's popularity has fallen by two percentage points over the past month, to 26 per cent. This is the lowest level since before last March's disastrous regional elections, according to an Ifop poll in Le Journal du Dimanche newspa-

Bérégovoy, while 39 per cent are dissatisfied, according to

the survey. This is the first time Mr Berégovoy's unpopularity rating has exceeded his popularity score since he came to office in April, an indication that his prime ministerial honeymoon

Mr Philippe de Villiers, an anti-Maastricht member of parliament in the pro-European UDF party, complained to the CSA that the television and radio advertising campaign, which was due to start today, breached a 1990 law against broadcasting political publicity. It was not a straight

ered by this law.

funds" and called on the government to scrap the poster

campaign as well.

The Financial Times (Europe) Ltd
Published by The Financial Times
(Europe) GmbH, Frankfur, Branch,
Nibelungenplatz
3, 6000
Frankfurt-am-Main I: Telephone 49 69
156850; Fax 49 69 5964481; Telex
416193. Represented by E. Hugo.
Managing Director. Printer: DVM
GmbH-Hürriyet International, 6078
Neu-Isenburg 4. Responsible editor:
Richard Lambert, Financial Times,
Number One Southwark Bridge,
London SEI 9HL. The Financial Times
Ltd, 1992.

Registered office: Number One. Southwark Bridge, London SEI 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholders: The Financial Times Limited. The Financial News Limited. Publishing director: I. Rolley, 168 Rue de Rivola, 75044 Paris Cedex 01. Tel: (01) 4297 0621; Fax: (01) 4297 0629. Editor: Richard Lambert Printer: SA Nord Eclary, 15/21 Rue de Caire, 59100 Roubskx Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67808D.

#### dealings may be among the pri-ITALY'S government may be orities. Some also think the Suspending capital gains tax, about to introduce new tax government might be considerincentives encouraging private ing a new law, similar to which was revised three times investors to buy shares to France's Loi Monory, offering before finally being introduced smooth the path of its planned

new capital gains tax on equity

private investors tax incentives to purchase equities. Mr Giovanni Ğoria, finance Any measures to encourage share buying would have to be modest, in order not to divert minister, called on stockbrokers for "a few more days of patience, then the measures to support the bourse will arrive".

private savings out of funding the budget deficit. Private investors are currently the main buyers of short-term Treasury bills, which have tra-

order to siphon investors' savings into covering the defi-

last year, would be popular on the bourse. Brokers say the tax, which has produced only modest receipts for the Trea-sury, has had a substantial impact on sentiment towards

Last week was one of the most dismal in the history of the Milan stock market, with suspension, or possible aboli- ditionally been given tax the Comit share index falling

1986. After plunging on Monday after the Mafia murder of a leading judge, equities continued to slip on the back of sinking confidence in the domestic economy and corporate profits.

However, a lively stock-market is one of the pre-requisites for the plans of Mr Giuliano Amato, the prime minister, for a large-scale privatisation pro-

Although shares in publicsector companies will be sold internationally, the domestic market will be expected to absorb a substantial proportion tion, of the country's relatively advantages over equities in to its lowest level since late of the equity on offer.

## **Broad Yugoslav** conference 'must look at refugees'

By Quentin Peel in Bonn and David Owen in London

of the heat out of the religious GERMANY yesterday threw its tensions which have inflamed weight behind the British ini-India in the past few weeks. tiative for a full-scale interna-Reuter reports from Ayodhya, tional peace conference to end fighting in former Yugoslavia, and called for the growing ref-ugee crisis to be high on the Hardline Hindu leaders stopping for three months to

> The conference announced at the weekend, as part of a European Community effort to broaden the scope of existing peace efforts.

Mr Douglas Hurd, British foreign secretary, said the con-ference, to be held in late August, probably in London, followed calls from several quarters - including France, the United Nations Security Council and the EC - for an international initiative.

Mr Klaus Kinkel, German foreign minister, appealed for a radically improved aid effort by both the EC and the rest of the international community. As the first three of six special trains arrived in Germany carrying 2,600 refugees fleeing fighting in Bosnia-Hercegovina, Mr Kinkel said: "No time must be lost. This conference must begin as quickly as possi-

He called in particular for Russia to be involved in the conference, in addition to the UN, EC and the Conference on Security and Co-operation in Europe, in order to exploit Moscow's influence on the Ser-

bian leadership. Mr Kinkel said the fighting in Bosnia had already unleashed the greatest flight of refugees in Europe since the second world war, and Germany had borne the brunt of it. Since the start of the war in the former Yugoslavia, more than 200,000 people from the region have been allowed into Germany as asylum-seekers or

"We can only help the refugees by acting together," he said. "This problem cannot be solved without European and international solidarity."

He also appealed to the UN

the present humanitarian air-lift into Sarajevo, the Bosnian capital, to be used to carry children and wounded refugees

Mr Kinkel insisted the conference be based on principles already worked out by the EC peace conference, chaired by Lord Carrington, These include the refusal of international recognition of any territory conquered by Serbia by force, guarantees of the rights of ethnic minorities, and an immediate renunciation of the use of

In London, the Foreign Office said discussion of military options would be on the agenda, but only insofar as they could help secure a long-term solution to the region's problems. British officials are anxious

to portray the international conference as a continuation of existing efforts, in order to safeguard undertakings already given.

• UN officials were consider-

ing yesterday an air drop to Gorazde, the last Moslem stronghold in eastern Bosnia. after the failure of efforts to reach the besieged town overland, writes Laura Silber in

Mr Fabrizio Hochshild, representative of the UN High Commissioner for Refugees, said yesterday: "The only other option is a ceasefire, but given the history of ceasefires this seems unlikely."

After returning to Sarajevo with a relief convoy, Mr Hochshild ruled out the possibility of overland relief to Gorazde, besieged by Serb forces for 80 days. Some 70,000 people are trapped in the town without water or electricity and supplies of food and medicine are hadly needed. The UN convoy was trapped

Meanwhile, after heavy shelling overnight Radio Sarajevo said that fighting had eased in the besieged capital yesto allow aircraft involved in terday.

ting two landmines on a road

strewn with the corpses of Serb



## Change of heart on peace talks

RITAIN'S decision to call an international conference on Yugo-slavia, probably to be held in London at the end of next month, represents a remarkable change of heart. After persistently maintain-

ing that the European Community-sponsored peace confer-ence, chaired by Lord Carrington, remained the best forum for negotiating a settlement between the warring parties in Bosnia-Hercegovina and other parts of the former Yugoslavia, Mr Douglas Hurd, British foreign secretary, has pragmatically, if reluctantly, accepted the view that it must be widened.

Under Mr Hurd's proposal, made in his capacity as current president of the EC, not only the United Nations and the 52member Conference on Security and Co-operation in Europe (CSCE) will be represented at the enlarged conference, but other "principal gov-12km outside Gorazde after hiternments and parties concerned", such as the US and Russia.

Mr Hurd, who disclosed his proposal over the weekend in a BBC radio interview in Manila. where he was attending a conference between the EC and the Association of South-East

Asian Nations (Asean), will not be any easier to negotidescribed the new forum as "an evolution of the EC peace effort". He said he would chair the conference, but that Lord Carrington would remain co-

The conference would look at "all possible options" to end

fighting, initially in Bosnia- conference and the UN, which Britain has reluctantly accepted the need for an enlarged conference to end fighting, writes Robert Mauthner

Hercegovina, where about 7,500 was being asked to perform people have been killed since the region's Serbs rose up against a vote in March by the republic's Moslem and Croat population in favour of independence. However, Mr Hurd made it clear he did not consider the use of military force to impose a political solution to be a feasible option.

Following the repeated failure of ceasefire agreements negotiated by warring parties under the umbrella of the EC peace conference, a ceaselire on the ground will not be a precondition for holding the enlarged conference. But it is clear that, in the absence of a halt to fighting in Bosnia, it Not surprisingly, France has

supervisory functions in Bos-nia beyond its present capacities, which brought matters to a head. Mr Hurd made a stopover in New York on his way to Manila to smooth Mr Boutros Ghali's ruffled feathers. It was then that the groundwork

ate a political and constitu-

tional settlement than it was in

It was a public outburst last week by Mr Boutros Boutros

Ghali, UN secretary-general, who complained about the lack

of consultation between the EC

the EC forum.

However, an enlarged inter-

was laid for the new confer-

national conference was originally proposed by President François Mitterrand of France, on the grounds that the Carrington conference had, in the words of his foreign minister Roland Dumas, "reached its

to last at least 14 days but which collapsed almost as soon as it was signed. Acceptances to attend the meeting have been received from Mr Radovan Karadzic, leader of Bosnia's Serbs, and Mr Mate Boban, the region's Croat leader. Moslem President Alija Izet-

welcomed Mr Hurd's initiative.

A Foreign Ministry spokesman

said one of the advantages of

an enlarged international forum was that it would bring

in the Russians, who were best

placed to exert pressure on the Serbs, while the Germans, with

their close relationship with

Croatia, could also have a big-

wider conference.

ties in Bosnia

ger individual role to play in a

Notwithstanding the fact

that the EC conference is on

the point of being superseded,

Lord Carrington is going ahead

with a meeting in London

today of the three warring par-

This was called on July 17

following agreement on a

ceasefire, which was supposed

begovic has said he will send a representative. Lord Carrington has made it clear he will no longer attempt to negotiate a ceasefire, but will try to focus the talks on a Financial Times (Scaodinavia) Vimmelskaftet 42A. Dk.1161 Copenhagen-K. Denmark. Telephone (33) 13 44 41. Fax (33) 935335.

By Robert Graham in Rome

The package, which seeks to raise

dures in record time

His message has been reinforced by the

By William Dawkins in Paris

The move, triggered by

FFr25m (\$4.90m) campaign was a waste of taxpayers money, is an embarrassm at a time when the popularity of President François Mitterrand and Mr Pierre Bérégovoy, prime minister, is sinking to

new lows.

per yesterday. Only 32 per cent of French

is over. The Maastricht campaign row further dents the government's image, aiready battered by the truckers' strike which shortly predated the Ifop poll – farmers' demon-strations, and scandals over political corruption and the distribution of Aids-infected blood by the national transfu-

public information campaign as it was biased in favour of the Maastricht treaty, he

Political posters and news-paper advertising are not cov-

Mr Philippe Séguin, a leading anti-Maastricht campaigner in the Gaullist RPR party, dubbed it "a scandalous misappropriation of public funds" and called on the party.

## Hopes rise of early talks on Mideast

By Tony Walker in Cairo

ARAB states and Israel are eral negotiations in Rome in ARAB states and israer are expected to resume peace nego. September, but the defeat or flations in Washington early—the hardline Likud government next month after a meeting in in Israel and its replacement Damascus at the weekend of by the dovish Labour party Arab foreign ministers prompted renewed efforts to endorsed an early resumption. Mr Farouk al-Shara, the Syrian foreign minister, said the

Arabs were ready to resume bilateral talks "as soon as possible". In Jerusalem, officials at prime minister Mr Yitzhak Rabin's office said they had not received any formal invitation and expressed reservations about meeting at such an early date. However they indicated they would accept Washington as venue for the talks.

Mr James Baker, the US secretary of state, who completed a Middle East tour last Friday process, had urged both Israel and its Arab neighbours to bring forward talks.

He suggested the two sides

10. Previously, they had agreed to hold the sixth round of bilat-

Israel and the representatives of Syria and Lebanon plus a Jordanian-Palestinian team have held five rounds of desultory discussions on issues of land and peace since the USsponsored process started in Madrid last October.

Syria, Lebanon and Jordan were represented in Damascus by their foreign ministers. Mr Farouk Kaddoumi, head of the Palestine Liberation Organisa tion's "political department", represented the Palestinians. Also in attendance was Dr Haider Abdel Shaff, the head of the Palestinian delegation at the peace talks.

Dr Shafl is from the Israeli-

### Israel bank warns on loans guarantee waste

By Hugh Carnegy in

 $A \to b^{1/2}$ 

``,u~

-

ISRAEL'S central bank yesterday warned the government not to waste on current spending \$10bn in US loan guarantees it now expects to secure. It said they must be used to finance productive investment which would ensure the loans can be repaid, listing the country's heavy defence spending among expenditures that must be

Mr Jacob Frenkel, the gover-nor of the Bank of Israel, told a cabinet meeting that wirming the loan guarantees, sought to help finance the absorption of mass immigration from the former Soviet Union, would

ment in an economy burdened by sluggish growth and high

The new Labour-led coalition sims to use the guarantees to underwrite a big foreign borrowing programme that is a cornerstone of its recovery plans. It is confident they will be released following the government's move to curb Jewish settlements in the occupied territories, in keeping with US conditions for the aid.

Mr Frenkel told ministers the guarantees must be used to support business policies that would produce sustainable growth. He said the government must accelerate investment in infrastructure, education and training, reduce last week, Seoul wanted to corporate taxation and speed reforms such as privatisation.



Supporters of the African National Congress demonstrate in Johannesburg at the weekend in the run-up to mass protests designed to topple the government

## Seoul seeks to resolve impasse with N Korea

OUTH Korean officials cally if it makes a concession Sare hoping offers of eco-nomic aid made last week will persuade North Korea to break a stalemate on

North and South Korea signed reconciliation agree-ments last December, includ-ing a ban on nuclear weapons. But talks on implemention of the pacts have become bogged down. Pyongyang is refusing to allow South Korean counterparts in Seoul to conduct checks of suspected nuclear research facilities, which would complement scheduled inspections already being made by the International Atomic Energy Agency. In response, South Korea has frozen planned investments in North

But with a presidential election in December, Seoul wants to find a settlement by the autumn. The country's big business groups, some of which are strong supporters of the ruling Democratic Liberal Party, are growing impatient at the delay in entering North Korea. By inviting Mr Kim Dalhyon, the North Korean deputy prime minister, to tour indus-

skilled, but cheap, labour and on the nuclear issue. its raw materials, including minerals such as zinc. At pres-Mr Kim is believed to be one ent there is no South Korean

of few senior North Korean officials receptive to Seoul's investment in North Korea. offer. His position as trade Daewoo has taken the lead in minister and chairman of the External Economic Committee has led to his support for opening the country to foreign investment and expanding trade to bolster the troubled North Korean economy. He is also a nephew of Kim Il-sung, the North Korean leader.

Talks on economic co-operation will continue. Mr Choi Gak-kyu, head of the Economic Planning Board, the most pow-erful economic agency in

John Burton on the thinking behind Seoul's offer of aid

Seoul, is expected to travel soon to North Korea. Seoul will also send a study team to examine a proposed industrial complex in the port city of Nampo, south-west of Pyong-South Korean companies are interested in investing in North Korea because of its

building contacts with the north over the Nampo complex and Mr Kim Woo Choong, the Daewoo chairman, recently met Mr Kim in Moscow to discuss construction of a natural gas pipeline from Russia through North Korea to South

Samsung and Lucky-Gold star have trade relations with North Korea and import textiles and raw materials.

Hyundai's interest in North Korea has cooled following an aborted attempt to forge eco-nomic ties in 1989 when Mr Chung Ju-yung, the Hyundai chairman, visited Pyongyang. Plans for Hyundai to develop a holiday resort area and a ship repair yard floundered after objections by Seoul. Hyundai also angered North Korea by seeking timber concessions in the Russian Far East, also sought by Pyongyang.

Despite the recent freeze on economic relations trade links between the two countries, which were formalised in April 1991, increased by 31 per cent to \$106.9m 9m) during the first

## Japan's voters spurn 'ox-walking' opposition

v prime minister, last night painted in the eye of a traditional dorume doll to calebrate the ruling Liberal Democratic party's electoral successes, the country's opposition parties' leaders pointed to a record low turnout as evidence of disillusion-ment with the LDP.

But the turn-out was more a measure of popular disgust with the opposition parties and, in particular, the Social Democratic party (SDPJ), which was called the Socialist party when it scored a remark-able victory in the 1989 upper

Last night, Miss Takako Doi, the party's leader during that triumphant campaign, insisted that the country "must not for-get the hundreds of thousands who died in the [second world] war". Her statement was a defence of the party's decision to focus its campaign on the use of Japanese military personnel for international peacekeeping organisations, and to

ignore most other issues. However, Miss Doi, replaced as party leader last year, is herself a symbol of the inability of the SDPJ to make itself a genuine alternative to the LDP. During the past three years, the ruling party has been tainted by scandals and factional farces, and yet popular support for the leading opposition party has crumbled.

party has become known as

For many Japanese, the

steps taken during the parliamentary vote last month on

the peace-keeping legislation. Japanese harbour doubts about that legislation, but they are also looking for sound eco-nomic management and a fair share of the public works pork barrel. The inability of the SDPJ to offer an alternative is rooted in the factional make-up of the party. While the LDP's factions, and the patronage

Robert Thomson on the failure to capitalise on ruling party mishaps

system they encourage, are rightly famous, the SDPJ is also deeply divided and remains under the influence of an ideological left wing.

"Seventy per cent of the party is to the right of the left wing", as a senior official put it, but the remaining 30 per cent, including Miss Doi herself, controls many of its policy-making committees. This left-wing faction is almost incoherent on issues such as relations with the US and the status of South Korea - the faction is a firm supporter of North Korea and Kim Il Sung, its authoritarian Great Leader.

The SDPJ has been feeble in fashioning economic policy and its present leader, Mr Makoto Tanabe, preferred to attack

HEN Mr Klichi Miya-zawa, the Japanese reference to the painfully slow introduced before the 1989 election than to recommend measures to stimulate the slowing

> Last night's results are a victory for Mr Miyazawa, whose first few months in office were awkward. His faction manager, Mr Fumio Abe, was forced to resign in January when arrested for allegedly accepting bribes, and it was rumoured then that Mr Miyazawa would be replaced before the summer.

Among the smaller opposition parties, last night's results confirmed that Komeito (the Clean Government party) can rely on its religious base, the Soka Gakkai movement, to deliver the votes to maintain its minority status. But Rengo. the trade union party, discovered that it cannot rely on its union base to ensure success, as it appears not to have won a

One of the parties that was supposed to lead a "realign-ment of Japanese politics", Rengo brawled publicly over the peace-keeping legislation with the SDPJ, which had supported that party's candidates

at the previous election. Rengo argued in favour of lower taxes and higher pensions, but when Mr Tasaburo Furukawa, the party's sec retary-general, was asked for an opposition party alliance, he replied vaguely: "We have a plan, but we can't discuss it now." Voters were

#### **Hurd to discuss China dispute**

By Simon Holberton in Hong Kong

BRITAIN'S foreign secretary, Mr Douglas Hurd, arrived in Hong Kong yesterday for a two-day visit expected to be dominated by a dispute between Britain and China

about how to finance a big new airport, and local demands for more democracy. On his arrival Mr Hurd said the dispute over the HK\$175.3 (\$22.3bn) airport would be solved within the framework agreed between Mr John Major, the UK prime minister,

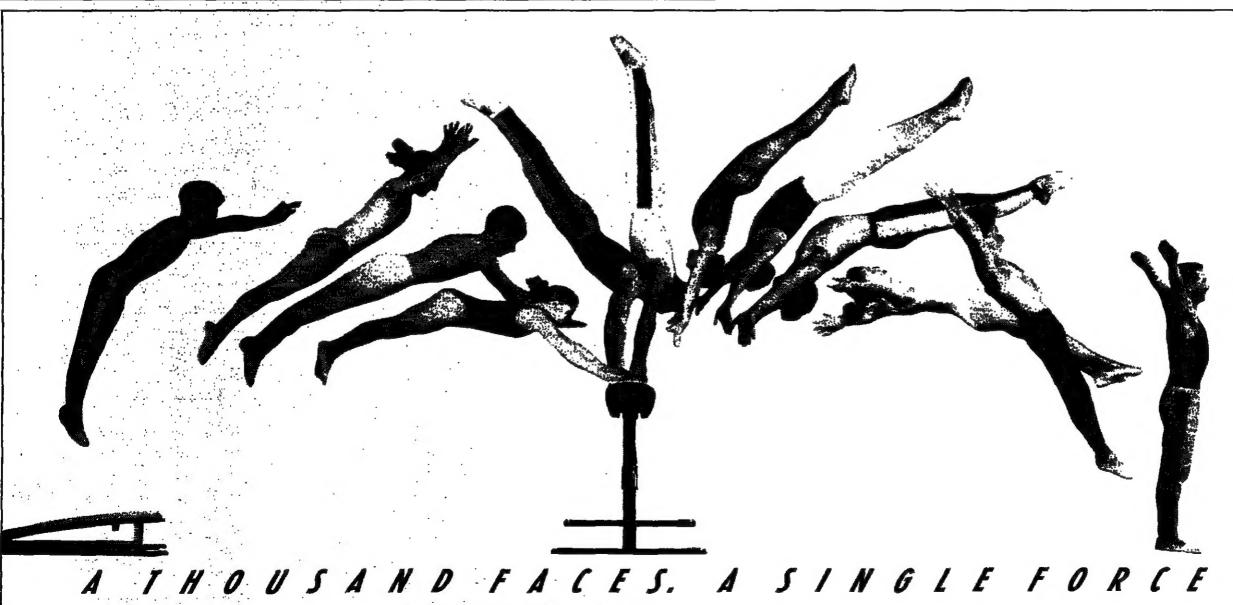
and Mr Li Peng, his Chinese counterpart, in Beijing last jects.

That agreement was regarded at the time as a successful conclusion to two years of often bitter talks. Mr Hurd said he did not know how long the latest round of talks would take.

China has castigated the Hong Kong government for disclosing details of the negotiations. It is concerned about the cost of the project and the financial support which the government plans to make available to public sector cor-

porations constructing key pro

But Hong Kong officials believe China's stated concerns are a cloak for larger worries about the pace of democratic development in the colony. They are also perturbed by the plans of Mr Chris Patten, the new governor, to consult locally about political matters before he makes any decisions. Mr Patten seems determined not to be pushed into early decisions. He plans to reshape his cabinet at about the time he opens a session of the local legislature on October 7.



The European Community is doing the same to build a Europe without boundaries. This, too, does not come easily. But the ultimate prize is worth it: a Europe where a thousand different faces become a single force. 1992 is the year when the European Community bosts the Olympic Games, and honours the idea upon which they were founded: the uniting of peoples.



MORE IS POSSIBLE WHEN YOU PURSUE THE SAME IDEA

Iraqi president flexes muscles in strongest challenge yet to UN resolutions

## Saddam pulls back from brink

By Tony Walker in Cairo

PRESIDENT Saddam Hussein has once again pulled back from the brink of a fresh military confrontation with the west. But on this occasion he came closer to provoking military action than at any time since the end of the Gulf conflict in February last year.

Iraq's refusal to grant access for United Nations weapons inspectors - charged with identifying and dismantling Iraq's weapons of mass destruction - to the agriculture ministry in Baghdad was the strong challenge yet to the terms of the UN Gulf ceasefire resolutions. It also concided with signs of increasing defiance from Baghdad.

Earlier this month in a speech that recalled some of his more bombastic statements during the Gulf crisis, Mr Saddam sneered at the UN, the west and its regional allies.

The UN Security Council, he declared, had become "an advertising billboard for US interests and policies towards the world." He condemned what he described as the "miserable actions and deeds of this international organisation."

Some regional experts see the new tone as a sign that the regime, which is under increasing pressure domestically reports of coup plots and terrorism abound - is seeking to redeem its authority. Others argue that Mr Saddam feels that, having resisted pressure for more than year, he is in a stronger position to thumb his nose at international opinion. It is possible a combination of



these two factors is at work. Iraqi perversity has been apparent for weeks. Apart from barring the weapons inspectors from the agricultural ministry. Baghdad has:

 Refused to co-operate with a UN commission charged with re-drawing its boundary with

• Objected to the terms for the UN-supervised sale of Iraqi oil to pay for humanitarian

Stalled on the renewal of an agreement covering the presence of UN guards and humanitarian groups in Iraq;

• Hegun using fixed-wing military aircraft, according to western intelligence, in defiance of the Gulf conflict cease-

fire. Iraqi MiG-23s have reportedly flown missions against Shi'ite rebels hiding out in the marshes south of the town of Amara on the Tigris.

Stepped-up military operations against the rebels would tend to support the view that the Iraqi regime is flexing its muscles again, although reports persist of serious morale problems in the higher ranks of the military and of an increasingly beleaguered President Saddam relying even more on his small clan of supporters from his home area of Takrit, north of Baghdad.

There have been frequent reports in the past year of coup attempts, most of them emanating from Iraqi opposition

most recent attempt, according western experts doubt the regime has surprises in store to Iraqi emigrés, occurred in late June when four Republiagainst the surgical bombing can Guard officers plotted to strikes that might have been blow up the Iraqi leader's car. contemplated by the allies.

The alleged coup plots have coincided with reports of a continuing purge of the military. As many as 200 officers are said to have been stripped of authority and some executed.

However, as recently as last month, US intelligence concluded that the Iraqi leader had strengthened his position in the past year, an embarrass-ment for the US administration, which is dogged by criticism that it has not done more to get rid of Mr Saddam.

A national intelligence estimate, which represented the combined efforts of various US intelligence agencies, reported that, with the help of Jordan and by using hidden Iraqi reserves, the regime had begun rebuilding its infrastructure. President Saddam had also re-organised his military and his five security services to strengthen control.

Western intelligence has been paying particular attention to ways in which Iraq may be funding imports of goods, including the purchase of military spare parts in contravention of UN ceasefire terms.

But no breakthrough has been reported in the search for Mr Saddam's "billions". Some \$5.5bn of Iraqi assets abroad have been identified and frozen, but a slush fund controlled by the iraqi leader has not been found and doubts remain whether it exists. In spite of Iraqi efforts to re-

ineffective and Scud mediumrange missiles aimed at Israel and Saudi Arabia were wildly innaccurate. Kurdish intelligence reports that Iraq is still holding on to some of its Scuds and their launchers, but num-

During the Gulf conflict Iraqi

surface-to-air missiles proved

bers have been reduced. Western experts estimate that about 50 per cent of Iraq's ground forces were destroyed. Main battle tanks, ranging from Chieftains to Russian supplied T-72's were reduced from nearly 6,000 to fewer than 3,000. Numbers of serviceable armoured personnel carriers and artillery pieces were also

The loss of most of Iraq's frontline fighter aircraft, flown to "safety" in neighbouring Iran during the Gulf conflict, has been another blow. These fighters are reportedly being integrated into the Iranian air-

Mr Saddam almost certainly recognises that his capacity to resist is almost nil, but this feebleness is not, it seems, being allowed to detract from a political strategy of brinkmanship and defiance.

While the latest crisis has been defused, it is almost certain that there will be further confrontations with the UN and the west. The danger for Mr Saddam and for the region is that he will miscalculate and go beyond the brink.



UNDER PRESSURE: some experts believe Saddam is seeking to redeem his authority

## Arab states maintain low profile over confrontation

By Tony Walker

ARAB states have kept relatively quiet over the drama being played out between Irac. the United Nations and the western powers, with Egypt virtually alone in commenting on the crisis.

In Damascus on Friday, Mr Amr Moussa, Egypt's foreign minister, expressed the hope we shall not be in need of any escalation".

With the Arab world deeply divided following Iraq's 1990 seizure of Kuwait, it was most unlikely that a common front would have emerged in any case to oppose western mili-

But there is also little doubt that such states as Egypt and Syria, which contributed ground forces to the removal of iraq from Kuwait, had little enthusiasm for further

similar crisis arose over Iraq's tardiness in complying with the Gulf war ceasefire resolution, both Egypt and Syria came out against the use of

Not much has changed since then, except that the moderate Arabs, including the Gulf states, will have been discomfited by signs that the Iraqi that the issue could be president is again flexing his resolved peacefully and that muscles, and heaping scorn on pro-western Arab leaders.

Gulf rulers, namely those of Kuwait and perhaps Saudi Arabia, are unlikely to have been as squeamish, however, about some form of military strike against Iraq as their Egyptian and Syrian

But they wanted to be sure that if action had been taken it would have amounted to something more than a slap on the wrist for Mr Saddam. The spectacle of the Iraqi leader grin-ning in his Baghdad citadel

In March this year, when a having survived another allied strike would not have brouht much comfort to jittery Gulf

The Saudis, for one, would probably prefer the US and its allies to step up their efforts to destabilise the Iraqi regime rather than engaging in a high-profile bombing raid that yields little dividend

Adding to irritation among Gulf rulers and the Saudis in particular will have been the renewed criticism over the weekend of Saudi oil policy from Mr Abdel Razak al-Hiti, Iraq's oil minister, who charged that the kingdom was squandering millions of dollars

a day by overproducing. The Iraqi official claimed that Saudi Arabia was losing 53m a day by "deliberately de stabilising the international oil market." Kuwaiti overproduction and its depressing effects on oil prices was one of the pretexts cited by Iraq for the August 1990 invasion.

Yearly data for relati sales volume and industrial production plus all data for the vacancy rate indicator are in index form with 1985=100. Quarterly and monthly data for retail sales and industrial production plus all data for the percentage of the control of the percentage of the

#### Main UN resolutions

The main UN resolutions following the Iraqi inva-■ 660: Invasion of Kuwait

condemned and Iraqi withdrawal demanded. ■ 661: Trade sanctions Imposed. August 2. ■ 662: Iraq's annexation

of Kuwait declared null and vold. August 9. ■ 664: Iraq ordered to allow foreign nationals to leave iraq and Kuwait. August 18.

■ 666: Shipment of food to Iraq and Kuwait agreed in case of humanitarian need. Sept 13. and occupied Kuwait pro-hibited. Sept 25. \$678: Kuwait's allies

authorised to use all necessary means to uphold and implement Resolution 660 etc. to restore peace and security in the area if iraq does not with-draw from Kuwait before 15 January, 1991. Nov 29

## Bush in quandary over Baghdad

By George Graham in Washington

THE past week's confrontation between Iraq and the United Nations placed the US administration in a quandary: if President Saddam Hussein did not learn his lesson in the destruction wrought on his army and his nation by Operation Desert Storm, what kind of action would be likely now to force him to comply with the ceasefire terms he grudgingly accepted a year and half ago?

Yesterday's apparent climbdown by Iraq averted any immediate need for military action, but US officials feared that the stand-off at the agri-culture ministry in Baghdad where UN inspectors had been stopped from entering in pursuit of their quest for details of Iraq's programme to build nuclear and chemical weapons - was just one facet of a much

broader pattern of Iraqi defiance in recent weeks. The regime has been razing rebellious Shi'ite villages in the south of the country, dam-

ming up the waterways that feed the southern marshes, bombing UN and humanitarian organisations in the north-east. and refusing to co-operate with the UN commission drawing the boundary between Iraq and

Kuwait. "What may be most disturbing is that it seems in the last several weeks there's begun to be a pattern of Iraql rhetoric reasserting their claim to Kuwait as the 19th province of Iraq, going right back to the original cause of the conflict."

defence under-secretary. Although this broader pattern makes Iraq's defiance harder to ignore, it also wid-ened the range of threats that the US and its coalition partners could plausibly use.

Possible targets for bombing raids range from surviving military factories and communications facilities to the airfields Mr Saddam is using to attack the Shi'ites. US senators have suggested targeting the national electricity grid or Mr Saddam himself.

US officials believe that they will have to keep their target list close to hand, for there are few in Washington who believe that President Saddam will not try his luck again.

Officials fear, moreover, that while limited military action could well force an Iraqi retreat in any particular con-frontation, nothing short of the removal of Mr Saddam is likely to bring Baghdad permanently into line. Pentagon planners have

warned President George Bush President Saddam's death or removal without a ground invasion of Iraq in even greater force than that brought to bear for Desert Storm - an option that appears unlikely to be acceptable either internationally or domestically.

Mr Dick Cheney, the defence secretary, said yesterday that Mr Saddam was a legitimate though incidental target as part of the Iraqi chain of com-mand, but that the only way to ensure his capture would be troops to downtown Baghdad." He defended, however, last year's decision not to pursue the Desert Storm campaign all the way to the Iraqi capital.

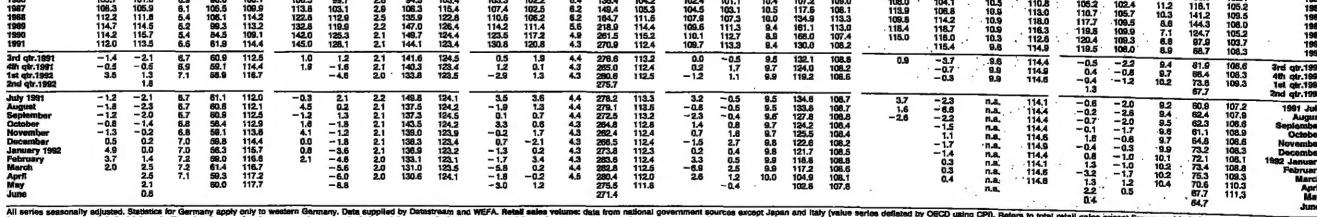
"The question is how many additional American casualties would you have been willing to accept to get Saddam Hussein? And my answer was then and is now, not very damn many." Mr Cheney said. Without Mr Saddam's ouster.

Iraq remains a political albatross around President Bush's neck. Governor Bill Clinton, the Democratic presidential candidate, has affirmed his complete backing for the president in the confrontation, but misses no opportunity to remind his listeners of the Bush administration's cosy relationship with Mr Saddam right up to Iraq's invasion of Kuwait.

More damaging than these questions about Mr Bush's prewar Iraqi policy, however, is the image of a president as baffled and powerless as President Jimmy Carter in the face of the "to send a lot of American Iranian hostage crisis in 1980.

#### INTERNATIONAL ECONOMIC INDICATORS: PRODUCTION AND EMPLOYMENT

<b>UNIT</b>	ED ST	ATES			<b>H</b> JAPA	M				ii Geri	IANY				<b>FRAN</b>	CE			· .	<b>ITALY</b>			. :	E UNIT	ED KI	IGDO	4		
Roteli sales volume	industrial production	Unemp- loyeeni. rate	rate indicates	Composite leading indicates	Retail sales volume	Industrial production	Lineary- Ingreesi rain	indicator indicator	leading indicator	Retail sales volume	imiestrial production	ibento- loyanni rate	Yeconcy rate indicator	Composite leading ledicator	Retail exice volume	industrial production	Obsesp- loyment rate	Yesanty rate Indicator	Composite leading leadestor	Retail sales	Industrial production	linemp- loyenest rate	Companie landing landing	Actes sales reserve	Industrial production	Unemp- layment	Vacancy rate	Composits leading	
100.0	100.0	7.1	100.0	102.9	100.0	100.0	- 2.6	100.0	96.6	100.0	100.0	7.1	100.0	104.4	100.0	100.0	10.2	100.0	101.9	100.0	100.0	9.6	103.9	100.0		44.0		indicator	
105,7	101.0	6.9	68.0	108.1	106.5	99.7	2.8	94,3	105.4	103.3	102.2	6.4	136.4	104.2	102.4	101.1	10.4	107.2	109.0	108.0	104.1	. 10.5	110.8	105.2	100.0	11.2	100.0	102.1	
108.3	105.9	6.1	105.5	109.9	113.8	103.1	2.9	106.3	115.4	107,4	102.5	6.2	149.4	105.3	104.5	103.1	10.5	117.5	108.1	113.9	106.8	10.5	113.0		102.4	11,2	116.1	105.2	
112.2	111.6	5.4	106.1	114.2	122.5	112.9	2.5	135.9	122.8	110.6	106.2	6.2	164.7	111.5	107,9	107.3	10.0	134.9	113.3	109.8	114.2	10.9		110.7	105.7	10.3	141.2	109.5	
114.7	114.5	5.2	99.3	113.2	132.8	119.9	22	147.0	126.4	114.2	111.4	5.6	218.9	114.4	109.6	1113	9.4	161.1	113.0	118.4	118.7	10.9	118.0	117.7	109.5	8.6	144.3	108.D	
114.2	115.7	5.4	84.5	109.1	142.0	125.3	21	149.7	124.4	123.5	117.2	4.9	261.5	115.2	110.1	1127	8.9	166.0	107.4	115.0	118.0	. 10.3	, 116.3	119.5	109.9	7.1	124.7	105.2	
112.0	113.5	6.6	61.9	114.4	145.0	128.1	2.1	144.1	123.4	130.8	120.8	4.3	270.9	1124	109.7	113.3	9.4	130.0	108.2	110.0	115.4	. 10.3	1126	120.4 119.5	109.3	6.8	97.9 68.7	103.7	



djusted. Statistics for Germany apply only to western Germany. Data supplied by Datastream and WEFA. Retail sales volume: data from national government sources except Japan and Italy (value series defiated by OECD using CPI). Refers to total retail sales except France and Italy (major outlets only) and UK (also includes construction industries). Unemployment rate: OECD standardised rate which adjusts as far as possible composite leading indicator: CECD data. Each is a combination of series, cyclical fluctuations in which usually precede cyclical fluctuations in general economic activity.

## The employment battle of the sexes Employed as a % of population, 25-54 (1986-89) Change in employment rate over the 1980s

## Working women and the rise of the house-husband

study the economic activity of men. The employment behaviour of women has been highly unstable both over time and across countries, so male unemployment rates are more reliable for tracking changes in the economy at large. Yet this practice, however justified, may be obscuring the sexual revolution that has occurred across the developed world over the past decade.

Changes in male unemployment rates do provide a better guide to the degree of tightness or slack in the economy at large. Female unemployment rates, compiled by governments, usually contain little information because many job-hunting women are not eligible for unemployment benefits and are therefore not counted as unemployed. In Britain, the headline female unemployment published monthly by the government tends to be three or more percentage points lower than that compiled by the OECD from survey evidence. Even the survey-based female unemploy-

ment rates are misleading. When vacancies are low, women without jobs tend to higher than female employment rates.

ECONOMISTS tend both to be men and to study the economic activity of men. The searching for employment. Rather than be counted as unemployed, women are more likely to be classified as "economically inactive", especially in recessions.

Yet these observations merely highlight the deficiencies of unemployment rates as measures of joblessness in developed economies. The OECD, in its lastest Employment Outlook, has investigated the pattern of non-employment rates - the percentage of the population without jobs - in developed countries. It confirms that male non-employment rates have grown

faster than unemployment rates everywhere, especially among 55-64 year olds. Yet this rising trend of male inactivity has been more than matched by increased employment of women. The left-hand charts compares the percentage of men and women that had jobs on average across the 1980s. It covers the 25-54 age group only to avoid complications caused.

by education or early retirement. Male employment rates are universally

with lower male employment rates have higher female employment rates. The US, for example, has a male non-employment problem at least as serious as in the main European countries. But the US also has the highest rate of female employment, followed closely by the UK and Canada

Women are catching up fast. Female employment rates rose in every country between the beginning and the end of the decade, while the male employment rate fell everywhere except in the US and Japan. Again, the rise in female employment was relatively rapid in those countries where the male employment rate was lower: the US, UK and Canada, Female

employment also rose rapidly in Australia. Why, when the fall in male employment has been universal, has the rise in female employment occurred more rapidly outside continental Europe? One reason is that Anglo-Saxon deregulated labour markets have done better at job creation. In and household work is not so far away. these countries, demise of heavy indus-trial, highly paid, "good jobs" has been

But, roughly speaking, those countries more than offset by the growth of less well paid, often part-time, employment in the service sector. The share of part-time employment in total UK employment was 21.8 per cent in 1990, up from 16.4 per cent in 1979. The US part-time share was 16.9 per cent in 1990, compared to 12 per cent in France and 5.7 per cent in Italy.

Women have proved to be both cheap and flexible relative to men. They take the bulk of these part-time jobs - 87 per cent in Britain, 78 per cent in Australia, 68 per cent in the US - and often at lower wages than men would command. Part-time female workers are more likely to have children; and while single women tend to earn at least 90 per cent of the hourly wage paid to single men, married women earn much less: 69 per cent in Australia and 59 per cent in the US and UK. Wage equality between men and women remains a distant goal; but an equal sharing of paid



## Barcelona '92 Olympic Games.

## IN CATALONIA, OF COURSE.

This is where Barcelona is, in Catalonia, a country in Spain with its own culture, language and identity.

A country with a population of only six million people, which has experienced a growth which has made it one of the motors of Europe.

A country in which many foreign enterprises

—European, North American, Japanese— have
invested and are still heavily investing.

A country which has understood and motivated the genius of Picasso, the force of Miró, the imagination of Dalí, the innovative approach of Tàpies, the art of Montserrat Caballé and Josep Carreras, the mastery of Pau Casals, the daring of Gaudí...

A country which is visited every year by 16 million people from all over the world for its climate and its unique tourist, sports and cultural facilities.

A country with the know-how to get the

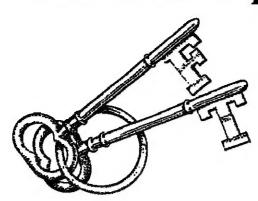
Olympic Games for its capital, Barcelona.

Now you know where Barcelona is. In Catalonia, of course.



GENERALITAT DE CATALUNYA AUTONOMOUS GOVERNMENT OF CATALONIA

## The key to a successful business trip



is remembering to ask the concierge for your copy of the FT

FINANCIAL TIMES
14 EAST 60TH STREET, NEW YORK NY 10022 USA
TEL: (212) 752 4500 FAX:(212) 308 2397

FINANCIAL TIMES

#### **WORLD TEXTILES**

The FT proposes to publish this survey on

September 10 1992.

Textiles are one of the most heavily traded goods in the world. To discover what the FT is planning for this survey and how to reach our international audience of decision makers, financiers and government administrators contact:

Ruth Pincombe
Tel: 061-834 9381
Fax: 061-832 9248
Alexandra House,
Queen Street,
Manchester M2 5LF

FT SURVEYS

## Support grows for scandal-hit minister

By David Owen

THE UK GOVERNMENT yesterday signalled its determination not to be rushed by the Mellor affair into taking action to curb press freedom, saying it would await the publication of a new report by Sir David Calcutt in the autumn before deciding how to act.

The message came as the position of Mr David Mellor, the national heritage secretary who is fighting to save his career in the wake of revelations about his private life, appeared to be marginally strengthened by the findings of two opinion polls.

One survey of 100 Tory backbenchers, published in the Mail on Sunday newspaper, indicated that 54 of those questioned believed that Mr Mellor should retain his post, compared with 26 who felt he should resign and 20 who

A Gallup poil of the general public commissioned by the Sunday Telegraph newspaper put support for Mr Mellor at 62 per cent and at 64 per cent among women. Just over half of those sampled favoured legislation to restrict press intrusion, with 38 per cent opposing

Prime minister John Major, who has consistently supported his close friend through the past week's tribulations, is said to retain an open mind on the need for fresh press controls. He is said to be keen to protect personal privacy without eroding press freedom.

An interview with Mr Mellor was broadcast by the BBC as part of its popular Desert Island Discs series in which guests pick their eight favourite records with which to be stranded on a desert island. The interview was recorded before the disclosures about his alleged relationship with a 31-year-old actress.

Mr Mellor expressed the view that contemporary politics was a "very high pressure" profession, adding that the "biggest kick" it had afforded him was "to increase my majority at the last election."



NEWS: UK

TUNNEL VISION: The first Eurotunnel HGV carriers pictured being delivered at Dover dockyard. The carriers, made by Breda Flat of Italy, are designed to house a single vehicle during freight shuttle train services through the Channel tunnel. When Eurotunnel opens Le Shuttle services next year it plans 28 carriers on each train; carrying up to 44 tonnes each.

## Package travel code attacked

By Michael Skapinker, Leisure Industries

GOVERNMENT proposals for the regulation of package travel will not prevent a repetition of last Friday's collapse of the Land Travel coach company which resulted in 50,000 people losing money on holiday bookings, the opposition Labour Party and industry officials said yesterday.

Their comments came as 2,500 Land Travel customers continued over the weekend to make their way back to the UK from the Continent.

Mr Nigel Griffiths, Labour's consumer affairs spokesman, said he would seek a meeting with today to ask why the Department of Trade and Industry had taken no action against Land Travel when the Bath-based company's difficulties had been known in the travel trade for eight weeks.

He was supported by Mr John Dunscombe, chief executive of the Association of British Travel Agents (Abta), who said that while several aspects of the government's proposals were welcome, they would not prevent customers from losing money in future travel com-

pany collapses.

The government has proposed a central reserve fund to compensate package holiday customers travelling by land or sea. Companies selling charter flight packages are already required to obtain a licence from the Civil Aviation Authority and to arrange a

tered by the CAA.

Many providers of land and
sea packages already have
bonds arranged through Abta
or other trade bodies, Abta is

in case of collapse. The bonds

are backed up by the Air Travel Trust Fund, adminisdisappointed that the government does not plan to insist that all companies taking holidaymakers abroad subscribe to the reserve fund.

Package tour providers outside the central fund will still have to obtain insurance or open a designated account to ensure the return of pre-payments and the repatriation of holidaymakers. But this will be monitored by local trading standards officers and Mr Dunscombe questioned whether they would have the time or experience to evaluate the effectiveness of these arrange-

### Building contractors drop prices by up to 30%

By Andrew Taylor,

PRICES CHARGED by contractors for construction work in Britain have fallen by up to 30 per cent since 1889, according to a straw poll of contractors, customers and building professionals conducted by the Financial Times.

The findings emphasise the

depth of the recession, which contractors say is the worst for more than half a century and which has caused a large number of company failures.

Many contractors, desperate for cash from advance payments, have been taking work at zero margin or even at a loss, according to the industry. E C Harris, a firm of international cost consultants which prepared a study of construction tender prices for the Financial Times, estimates building prices in London have fallen 22 per cent since the second quarter of 1989.

ond quarter of 1989.

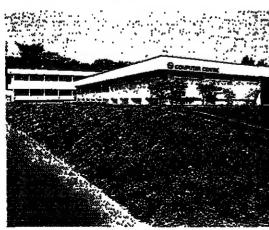
Margins are at rock bottom in many parts of the country as contractors try to move into new areas to offset the decline in private sector office build-

The transport department estimates that national prices for motorway and trunk road construction have fallen by about 20 per cent since 1988. Anglian Water, the privatised water company and another large customer of the construction industry, estimates that building prices have fallen 30 per cent in two years.

years. Lex, Page 14

## Larsen & Toubro Group of Companies committed to quality and customer service

Larsen & Toubro Limited was established in 1938 by two Danish engineers, H. Hokk-Larsen & Soren Toubro. Today, L&T is the fifth largest company in India, holding leadership position in designing, manufacturing, installing plant and equipment for vital projects — chemical, petrochemical, cement, steel, paper, power generation, food processing, packaging, construction, material processing, space research, defence....



L&T's Computer Centre, Bombay, L&T provides offshore and on-site software development services to

For more than half a century, L&T has been absorbing technology worldwide. Our host of collaborators are international leaders in their respective fields. The Company continues to look for new tie-ups in keeping with its corporate goal – bringing advanced technology to India. Developing innovative capabilities and manufacturing skills. Using R&D as a response to customer needs.

The endeavour made L&T a pioneer in the manufacture of dairy equipment, hydraulic excavators, nuclear power reactors... the largest manufacturer of low tension switchgear, a major innovator of construction technology, a leading manufacturer of industrial valves....

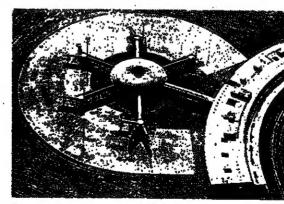


India's first hydrocracker reactor manufactured by L&T for Indian Oil Corporation Limited.

Our ever widening spectrum of activities include cement manufacture, granite, shipping, medical electronics, computer peripherals, telecommunication systems, software development services...

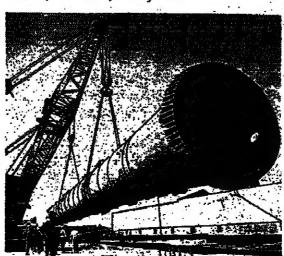
ECC, our Construction Group, offers comprehensive civil, electrical and

mechanical engineering and construction services to projects in India and abroad.



Terminal complex - Abu Dhabi Airport - constructed by L&T.

L&T has three subsidiaries and two associate companies, twenty sophisticated manufacturing facilities across the country and a network of offices and service centres all over India as well as offices in Germany, U.S.A., Moscow, Malaysia....



Regenerator fabricated by L&T at Hazira Works for Nagarjuna Fertilizers & Chemicals Limited.

The unifying link between them all is the dynamic drive and dedication of people – people who believe that excellence is linked with a total commitment to quality and customer service.

- Products and services include:
- Earthmoving and road building equipment
- Plant and equipment for the chemical, fertilizer and food processing and material handling projects
- Switchgear and petrol dispensing pumps
- Computer peripherals and
- telecommunication equipmentMedical diagnostic instruments
- Transmission lines
- Construction servicesBottle closures
- Tyre curing presses and rubber processing machinery

For more details, contact:



where technology moves with time L&T House, P.O. Box 278, Bombay 400 038, India Tb: 11-73346 Fax: 91-22-262 0223

## 'Someone even swore at the chairman.

Michael Cassell on people who work at Lloyd's, where the extraordinary meeting demanded by Names is to be held today

gold top hat, hurries from the sentry box outside Lloyd's of London to jisher his chairman's Daimler into the lunchtime traffic.
Mr McDonnell a liverled

watter, stands sentinel in Lime Street to the world's oldest insurance market. A man of unfashionable servility, who pockets 26 extra for candielit functions in the 11th floor dining room, he fiercely defends the 300-year-old institution housed behind him in a stainless steel and translucent glass tower and which daily sucks in £30m of insurance premiums. Mr McDonnell strikes a real-

istic note. "Things have been very difficult, sir," he explains. There is tension in the air. Someone even swore at the chairman on his way out after the annual meeting. I had to remind him that, whatever has happened, we are all still gen-tlemen here."

Good manners, along with the guiding principle of utmost good faith which has endured since marine insurance began in a Tower Street coffee house, are being tested to breaking point at Lloyd's.

The announcement of losses of £2bn during 1989 follows an unprecedented run of natural and man-made disasters. Now the most reputable, rock-solid: society of underwriters is enduring its own brush with

catastrophe. On the 11th floor, with its incongruous chandeliered Adam Room, members of the governing council today face an extraordinary general meet-ing and votes of no confidence. Some have received hate-mail and abusive telephone calls.

The spectacular calling to account of those who staked their all on the promise of profit - but now live with the stomach-churning reality of unlimited personal liability has taken a heavy toll.

Ford Orions are said to have replaced Ferraris. Cries of "Bankrupti" slip as easily off the tengue as the fresh-Galway Bay oysters that used to start a lunch at Wheeler's.

The preamble to the Insurance Act passed during the at the Croissant Express with a reign of Elizabeth I laid down deputy underwriter. They will

rather easily upon many than heavilie upon fewe. "Undoing" there has been.

Accusations of incompetence and betrayal are poised to lead into what one wounded soul has dubbed "the clurry pit of legislation".

Many Names have fled the

market - some to face ruin. More than 6,000 have gone in 18 months and more will fol-low, leaving behind unproven allegations, that working Names with inside knowledge sacrificed outside Names to save their own skins.

We are all barrow boys in pin-striped suits who like making

David Rowland Sedgwick chairman Things have been

very difficult, sir... whatever has happened, we are all still gentlemen here' Barry McDonnell Lloyd's doorman

Not surprisingly, the members' agents responsible for entry into the club say enquiries from prospective Names are down to a dribble.

"Insurance is supposed to be dead boring. But this lot are straight out of a disaster movie", laughs Sam Niblock, a streetwise sandwich maker, waving at the lunchtime crowd spilling on to the pavement outside the Lamb Tavern in Leadenhall Market.

Underwriters and brokers, who live or die by each other's efforts, mingle with aspiring under the Victorian street market's ironwork canopy. They swap gossip - part of the broth of the insurance business

since the 17th century.

Mark Bowen, a bank clerk turned broker who specialises in big construction projects, has just had a quick cappucino at the Croissant Express with a

ARRY McDONNELL, that after catastrophe "there touching seven feet followeth not the undoing of stamp and signature on sold to be be between the catastrophe there are between the catastrophe there are later at Lloyd's when a stamp and signature on sold too be between the catastrophe there. Bowen's slip will seal a prom-ise binding in honour, if not necessarily in law.

Nathan Philips, whose plummy tones hint at youthful privilege, says his priority is to nity cover for a Hong Kong structural engineering business. Clutching his "Sushi de luxe" hunch box, he complains 'It's proving tricky. You'd think the Chinese had already

Though they may not all approve of the comparison, those at Lloyd's have much in common with the crew at Linwood's, the local fishmonger or at Booths, the florist which delivers flowers or fluffy bears

In the words of David Rowland, chairman of international broker Sedgwick and leader of the recent investigation into Lloyd's governance: "We are all barrow boys in pin-striped suits who like making money." The Lime Street insurance

market does not flog flounder or freesias and its traders wear Gieves & Hawkes suits and Gucci loafers rather than rubber gloves or aprons. Shirt sleeves or short skirts inside the famous underwriting room may even bring reprimands from a discreet waiter. But it is, for all that, little more than a marble-floored bazaar in which the highest risk is touted for the lowest fee.

If your client seeks protection from war risks, head for Stephen Merrett's underwriting box; don't forget George Lloyd-Roberts if insuring babies against illness; call on Danny Chappell if you want cover for a \$1m racehorse that might go berserk

It is Lloyd's readiness to consider the unusual, encouraged by its individualistic heritage, that adds piquancy to its pubassistants to sip spritzers lic image. Beside insurance terms of "long tail", "short tail" and "excess-of-loss" stand less traditional alternatives such as "Samurai" cover - "so bloody risky you deserve to have your head cut off.

Whether it is film stars' legs, wine tasters' palates or rock star's voices - Lloyd's will usually oblige. Fish can be insured against drowning and



Old meets new: Barry McDonnell in traditional livery outside the Lloyd's building

into the wide black yonder. . But in spite of its openness for diversity, the recent con-traction in the market, aided by imploding syndicates and shot-gun mergers, means the number of syndicates is down to 279 - nearly 100 fewer than last year. There is the more vacant trading space than at any time since the present building opened in 1986, Rents, which can reach £20,000 a year for a modest perch, might fall.

atellites against wandering off stoked in the 1980s by big commissions and syndicate fees. But many still earn well over £100,000 a year.

Most brokers remain salary slaves, but high-rollers can strike deals which include a share of the action. A few are said to have broken the flm barrier

Julian Messent, a geology graduate who decided to become a broker after a boozy night in the Duke's Head. Putney, is looking for \$400m cover on a Chilean copper and gold underwriters after being mine. A Latin American property expert with Alexander Howden, he has researched his risk well and lined up a lead signature. He wants Jeremy Austen, underwriter at F.R. White, to add his stamp.

The two regularly play squash but the negotiation is strictly business. Mr Austen signs a line and Mr Messent makes for Mark Donald at syndicate 33, a shaker-and-mover who has made a name as an expert in issues relating to property, sabotage and terror-

Peter Tritton, a colleague of

Mr Messent, sums up the bargaining process: "It's all about peer respect, gut feelings, intuition and accurate intelligence.

"If someone lies in here ... news goes from one corner of the building to the other in a flash. If you get found out. your credibility is shot."

But Lloyd's credibility is at stake, having found itself sucked into the maelstrom of the "anything goes" economy of the 1980s.

Paul Barnes, a would-be painter turned non-marine underwriter, scans a \$25m claim for snow damage from the Israeli Flower Board before reflecting on what has gone wrong at Lloyd's. He has a saying, "volume is vanity, profit is sanity" to sum up his view of a market that took its eye off its prime duty to secure profitable business for its Names in favour of winning premium

A senior broker at Fenchurch Group comments: "It was the mood of the times. Too many underwriters threw caution to the wind. They were doing things they did not really understand." What they did understand,

and lap up, was the wave of entertainment that oiled the wheels of a booming business. "It's amazing how many underwriters got a suite in one or more of the luxury hotels they agreed to insure," says Phil Guthrie, a non-marine bro-

ker who admits to his own share of treats from clients. Now, more modest bospitality prevails: "It's back to football tickets for a while," Mr Guthrie grins.

Dave Burling, the casualty loss-book clerk whose quill pen commits lost Cuban barges and Irish fish factories to the book that once recorded the Titanic and the Torrey Canyon, has seen "a real sifting out" among brokers and underwriters.

Danny Chappell, an unstuffy underwriter whose mum worked for a broker, is putting his name to a \$2.5m all-risks policy on Dr Devious, this year's Derby winner. He gives his views on some of the new breed of people around him.

"It used to take years to work your way up through the ranks. Now, they arrive out of the blue, set up their stall and they're away. It's not surprising if some have come

"It's the survival of the fittest." chips in his assistant. clutching lurid pictures of American cows allegedly

Those running Lloyd's say they do not doubt that it will survive.

Better self-regulation is promised although old-timers warn that it will destroy Lloyd's individualistic heritage

and raise costs. David Coleridge, chairman of Lloyd's, traced the fault line month that the dash for business had sapped market disciplines and standards.

The finger of suspicion inevitably points first at the ambitious young men and women work. Many of them have already paid with their jobs.

Some of the older hands were not impressed with the newcomers and stuck to the practices they knew best. Others tried to keep up with the pacemakers and became players in areas of which they had little or no experience.

observer, the depth and breadth of expe-rience held collectively by those who make up the Lloyd's market remains impressive when set against employed in other professional marketplaces. When a broken and underwriter discuss cover for a South African goldmine there is still a fair chance they have both been down it.

While Lloyd's tries to regain its footing, the job of re-establishing its reputation continues. In the claim office, housed in the old Lloyd's Room across the street. Bob Moore and his team work on to demonstrate that, whatever the problems, payout calls are promptly met. But if the money is still flowing out, people such as Keith Leonard, managing director of R.W. Sturge, one of the Sturge members' agencies, are doing their damndest to keep it coming in. A cheque for £190,000

has just arrived. Mr Leonard, who has a sixfigure sum to find, also gets daily letters of resignation from Names. "There's no sense to it," he rails, "they are pull-ing out at the bottom of the worst cycle and will miss the

Back in the Room, Paul Barnes muses on risks attached to a sewer back-up in Saskatchewan and ponders on a critical time for a great British institution.

"We've all got one last shot to get to the promised land,"he says. "Blow it and God knows

## Paisley demand clouds Ulster talks

By David Owen

TENSIONS between participants in the adjourned talks on Northern Ireland's political future appeared to be mounting yesterday after the Reverend Ian Paisley, Democratic Unionist leader, warned that the talks would fail if the Irish Republic did not agree to drop its territorial claims to the

The mainly Roman Catholic Social Democratic and Labour

Concern

at bids for

they will have brought the talks to an end," he said. with their respective positions

adjourned on Friday with an

When they reconvene on September 2, the hard bargain-ing - if there is to be hard bargaining - will need to begin, building on this mouth's preliminaries where participants set out their starting

on which the next meeting of the Anglo-Irish Conference would take place.

Meanwhile, a meeting between the British and Irish governments in Dublin this week will mark the start of "strand three" - a new phase in the complex talks structure. This is regarded as particularly significant by Unionists

warns over tax

as the 1985 Anglo-Irish Agreement, which they oppose because of the role it gives Dublin, will be on the negotia-

#### proposals By John Griffitha MOTOR TRADE leaders fear Inland Revenue proposals to be published this week on taxation of company cars could delay a recovery in the UK fleet market until next year. Fleet operators are worried

consultation process.

Mr Stewart Whyte of the Association of Car Fleet Operators said: "We need to know what the final formula is to be at the earliest date possi-

by indications that the docu-

ment will include an un-

desirably long and detailed

Some fleet executives believe that if the consultation takes several months, carmakers already suffering from severely depressed sales could be affected for even longer.

"If the consultation process were to run up to December, there would almost certainly be hardly any fleet sales right through the first quarter of next year as well," said Mr

"Business car buyers, having been deterred from making purchase decisions until the tax formula was thrashed out, would then be highly likely to put off buying for a few more months, figuring that they might as well wait until they know what's in the next Budget as well", said Mr

The document has already caused concern within the industry because it is understood to propose retaining a car-price banding system for assessing tax liability - albeit a more sophisticated one than at present.

The latter has been heavily criticised for failing to discriminate between essential and "perk" car users, as well as placing some carmakers at | by the Health and Safety Execa disadvantage.

Under the present system. the amount of tax payable by a company car user on the benefit of the private use of his or her case is calculated according to a scale involving engine capacity, age, purchase price

## Car trade Team briefing has 'little effect on commitment'

By David Goodhart,

EMPLOYEE-involvement initiatives such as team briefings and company newspapers appear to have little effect on the commitment of employees or their understanding of management decisions, according to research sponsored by the government.

The investigation of employee-involvement schemes in 25 companies was conducted by the Manchester School of Management and took nearly two years. The results were said by the Department of Employment to show that most workers welcome involvement

But the report also includes some less encouraging findings. A survey of 700 employees in 18 of the organisations found that 81 per cent of respondents thought team briefings either left unchanged (77 per cent) or decreased (4 per cent) their commitment to the organisation.

The report also notes a sceptical attitude to the employeeinvolvement philosophy among middle managers and supervi-

At one chemical company, supervisors described employee-involvement initiatives as "long-haired, idealistic views of workers", as "soft" management, or as "eulogising the

workforce". Seventy-one per cent of the employees in the survey said

per cent) or a decrease (5 per cent) in their understanding of management decisions as a result of team briefings. Sixtyfive per cent said that team briefings did not lead to greater management openness and 8 per cent said it decreased openness. Fifty-nine per cent said team

there was either no change (66

briefings did increase their information about the company but 41 per cent said there was either no change or an actual decrease in informa-

In spite of the widespread introduction of team briefings, house journals, total quality management, customer care initiatives and joint consultative committees in the 25 com-panies during the 1980s, only 19 per cent of respondents felt that communication had improved.

Twenty-six per cent said it was about the same and 25 per cent said it was either worse or much worse.

The report tried but failed to establish any relationship between employee involvement and overall corporate performance. It suggests that it may be better corporate perfor-mance that facilitates employee involvement rather than the other way round. New Developments in Employee Involvement. Research Management Branch. Employment Department, Moorfoot, Sheffield SI 4PQ.

#### Study eases Dr Colin Mackay of the HSE

FEARS that pregnant women working with visual display units are at increased risk of miscarrying have been eased by research sponsored mainly utive, Lisa Wood writes.

The research, the first of its kind to be carried out in Britain and which involved studying the conditions affecting 450 pregnant women, is to be published in this month's issue of the British Journal of Industrial Medicine.

said: "It shows that pregnant women who work, even habitually, at VDUs are not at increased risk of miscarriage." Dr Eve Roman, who led the study, said: "We found it made no difference whether a woman worked on a VDU as part of her general day. whether she used it occasionally or whether her only con-

tact with a VDU was that it

happened to be in the same

#### **EC** funds By Nell Buckley BRITISH businesses are failing to take advantage of sizeable benefits they might be elegible for from the European Commission's Thermie programme,

energy conservation projects, according to the Association for the Conservation of Energy. Mr Andrew Warren, director of the association, which represents a number of companies active in the energy conservation industry, told a conference this weekend that insufficient

which provides EC funding for

The UK had received only 12 per cent and 10 per cent of the available budget for energy saving and for renewable energy projects respectively, when its rightful share should be around 18 per cent.

British bids were being made

The EC is today launching a leaflet designed to explain to businesses how they can benefit from Thermie. Funding of up to 40 per cent can be awarded to projects

involving a first application of

new processes or products on a sufficiently large scale. Mr Warren said the programme was due in 1993 to enter a new phase concentrating on technologies to reduce emissions of carbon dioxide and sulphur dioxide. It was vital that British businesses bid for as much as possible of the £250m available in 1993 and

ing". His attempts to turn the abandonment of the Republic's constitutional claim over the province into a pre-condition for continuing the talks con-flicted with the principal accepted by participants that nothing would be agreed for-

mally as long as any issue was still outstanding.

Mr Paisley challenged Dublin to remove two articles in the Republic's constitution. "If they continue to say 'no, we have a claim over you'. then

and would want them to

In a fresh move, the Demo cratic Unionists intend to use the five-week summer recess in the talks to send other participants a "shopping-list" of "problems" that the party has

"Strand two" talks between leaders of political parties in Northern Ireland and the British and Irish governments invitation to participants to "prepare papers to assist the progress of deliberations folowing the recess".

Earnings have fallen for the

The new timetable was facili-tated by an agreement to put back until the week beginning

## September 28, the earliest date



#### Tipping the scales: boatowner Eddle Grey and deckhand Eddle Williams on The Supreme, the last coble fishing out of Craster Fishermen drift towards a net loss

THE ANCIENT tradition of drift-net fishing for salmon and sea trout off England's north east coast would be phased out under proposals published by the National Rivers Authority,

Chris Tighe writes. Around 400 fishermen using little wooden cobles, reminiscent of Viking longboats, depend on salmon drift netting for their livelihood in the spring and summer.

The Ministry of Agriculture Fisheries and Food invited the authority to draw up plans to phase out the 143 drift net salmon licences between Holy Island in Northumberland and the Humber following claims from Scottish and English riparian owners and anglers that drift netting is depleting river salmon stocks.

The ministry said there was

no evidence it posed immediate

threat to stocks but suggested they could be better managed if the netting were ended. which are played out across the tide as "curtains of death".

Critics describe the 600-yard long monofilament drift nets The fishermen, who deny they are responsible for the decline in salmon stocks, liken their nets to "a pair of shoe laces in

Wembley stadium". Under the authority plan,

. . . . . .

and its phasing out over about 30 years. Last year about 30,000 salmon, and a similar number of sea trout, were drift netted off the north-east coast. The fishermen are now considering whether to object to the proposals, a move which

would force a public inquiry.

netsmen leave the fishery,

resulting in a halving of drift

netting activity over 10 years

#### **Keppei Corporation Limited**

TO BONDHOLDERS OF (1) US\$75,000,000 4% CONVERTIBLE BONDS DUE 1997 (4% Convertible Bonds) (2) US\$75,000,000 2-3/4% CONVERTIBLE BONDS DUE 1997 (2-3/4% Convertible Bonds)

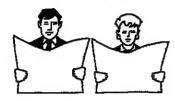
#### ADJUSTMENTS TO THE CONVERSION PRICE OF THE ABOVE BONDS

Following the Company's Rights Issue of unsecured convertible loan stock due 1997 and warrants 1997, adjustments have been made to the Conversion Price of the 4% Convertible Bonds and 2-3/4% Convertible

Please note that with effect from 15th July 1992:a) the Conversion Price of the 4% Convertible Bonds has been reduced from S\$3 12 to S\$3.05. b) the Conversion Price of the 2-3/4% Convertible Bonds has been reduced from S\$4.07 to S\$3.97.

BY ORDER OF THE BOARD TEO SOON HOE SECRETARY

20th July 1992



#### FT READERS' **ENQUIRY SERVICE**

If you require information about the content of the Financial Times or about specific articles please contact our FT Readers' Enquiry Service by phone, fax or letter. A charge may be made for some enquiries. Call our research staff between 9.30am and midday or 2.00pm and 4.45pm Monday to Friday.

> Call 071-873 4211 Fax 071-873 3084

#### **PUBLIC NOTICES**

#### OFFICIAL NOTICE

Please be advised that the two London Metal Exchange BHAS Brand Lead warrants issued by C. Steinweg, Rotterdam for which the details are shown below, have now been cancelled; replaced by new warrants and are therefore null and void.

Warrant No. 791113 - 24 Bundles - 24,866 Kgs.Nett Warrant No. 791114 - 24 Bundles - 24,959 Kgs. Nett

C. SHAW LOVELL & SONS LTD., PLANTATION HOUSE, 31/5 FENCHURCH STREET, LONDON EC3M 3DX

#### THE WEEK AHEAD

**ECONOMICS** 

#### CBI data threaten more gloom

No. 14 72 ...

WITH few sensitive figures out in the UK, this week could see some reprieve from last week's financial jitters. But the Confederation of British Industry's quarterly industrial trends survey is likely to add to mounting gloom over the economy. The last survey was optimistic about prespects for manufacturers later this year, with business optimism showing its biggest jump in four years. Another jump would be a wel-come signal but movements in the optimism index have been agged over the past few months and seasonal factors could adversely affect the latest results.

Most of the activity this week is in the US. On Thursday, GDP figures are expected to show that the US recovery struggled to keep going in the second quarter. The forecast is for growth of 1.7 per cent, almost a full percentage point lower than growth in the first quarter. Consumer confidence is also expected to have declined this month, in spite of the Federal Reserve's discount rate cut three weeks ago. Since the beginning of the year, the consumer confidence index has jumped from 50.2 per cent to 71.1 per cent in June, Most of the increase was between January and April, since when it

has shown little change. Here are some of the other economic highlights. The figures in brackets, from MMS

(up 3 per cent), initial unem-Business confidence compared with 4 months ago ... loss seasonally adjusted). Friday: US. June personal

50% - 1837/2011 1975/2013 1984 88 88 90 92 International, are the median of economists' forecasts. Today: US, June existing home sales, housing vacancies for the second quarter; Japan, June retail sales (down 0.7 per

cent on the year). Tomorrow: UK, CBI quarterly industrial trends survey; US, employment cost index second quarter (up 0.8 per cent on quarter), July consumer confidence (70 per cent); Japan, June industrial production (up 1 per cent), service price index second quarter.

Wednesday: Australia, consumer prices second quarter (flat on previous quarter, up 1.5 per cent on year), Canada, June industrial production price index (up 0.1 per cent).

Thursday: US, advance GDP second quarter (up 1.8 per cent), advance GDP deflator

ployment claims for wie July 18 (410,000), June new home sales (522,000), export price index, import price index, money supply data for w/e July 20; Australia, June building appropriations (up 3 per cent) June current account (A\$1bn

income (flat), personal con-sumption expenditure (up 0.4 per cent), June factory goods orders (up 0.8 per cent), July Chicago national association of purchasing managers index, July Michigan sentiment index, July agricultural prices; Japan, July Tokyo consumer prices index (up 2.2 per cent on year) excluding perishables (up 2.4 per cent), June CPI Nation (up 2.3 per cent on year) excluding perishables (up 2.5 per cent), June construction orders, housing starts (up 1.7 per cent on year) and construction starts; Canada, May real GDP at factor cost (up 0.1 per cent). May building permits

(down 1.3 per cent).

During the week: Germany, July cost of living (up 0.2 per cent on month, up 3.5 per cent on year), June import prices (down 0.2 per cent on month down 2.8 per cent on year) France, June unemployment rate (10 per cent); Japan, June trade balance, current account and foreign bond investment

Emma Tucker

#### DIVIDEND & INTEREST PAYMENTS

at TODAY
Acatos & Huscheson 2.5p
Bank of Montreal Fig. Rabe
Debt. 1998 3271.39
British Airborts Finance Fig.
Rata. Cal. Not. 1996 Y251/514
Commonwealth Bank of Australia
Rd. Fig. Rate Na. 1996 \$240.74
Compass 4,18p
De La Rue 11.5p
Genaral Blactric Co. 20.55
Grainger Yat. 1.2p
Johnson & First Brown 1p
Saint-Gobain FF21.75
S00 Group 1.5p
Tylegforida de Espana Pts24
Liniges & En

umgare step

IT TOMORROW
Commonwealth of Australia
13-2 pc Ln 2010 56.75
Bradford & Bingley Bidg. Soc.
Fig. Rate Nat. 1995 5290.03
Camella 19p
Camella 10p
Camella 0.66667p Chartwell 0.4p PCT 4.5p Tressury 81<sub>2</sub> pc Lri 2000 E4.25

Bunk of Nove Scotle CSD.28
Bunk of Nove Scotle CSD.28
Cater Alven 20p
Erskine House 4.35p
Furnkava Begurte Spc nis. 1996
Y191,967
General Motors Accept Corp.
Camada Fig. Rate Nis. Nov. 1995
CS487.51
Gold Fields of South Africa R1,45
Korea Liberalisation Fd. 90,067
Stoddard Seigns Indi. 1,573p

THURSDAY JULY 30 . Commerce Pay.
\$230.68
Dow Chemical 90.86
Helene 1.36p
Malloravide Bidg. Soc. 17 pc H.

traprung 4.87p Lilied-Lyona 13.35p Allied-Lyons 13.35p A.M.P. 11 2 pc Bds. 2001 C115 Assoc. Fisheries 6 4 pc Ln 1991 A.M.P. 11-gpc sees. adult 119.
Assoc. Pateries 61 pc Lin 1997;
96 £4.125
Bank of Nova Scotia Fitg. Rate
Cets. 2007 £289.25
Beastie (Liumes) 8pc Prf. 2.1p
Seaster 81-gpc Crn. Ln. 2000 £28.25
BP America 107-pc Gtd. 8ds.

CS108.75
Bristol & West Building Society
Fig. Rate Notes 1983 2263.39
Britannia Bidg. Soc. 13pc Und.
Sub. Na. (299.56)
Britan Arwaya A.D.R. \$1,7182
British Dradging Spc Ln. \$2/58 E4 Petroleum 8pc 1st Pri. 2.8p Do. 9pc 2nd Pri. 3.15p glaven (N) 4.25p Surton 1p Chamberlin & Hull 4.25p Chamberlin & Hull 4.25p

Chase Manitation O'Seas.
Basking Pitp. Rate Nits. 1993
\$25.54
Chemical Banking Pitp. Rate
Sanior Nits. 1999
\$45.27
Chiming 10.59
Chicorn Banking Gld. Pitp. Rate
Subord. Cap. Notes 50:16/96
\$134.17 Subord, Cap. Notes survival 1313-1.7 D. Cird. Prig. Rate Subord. Ced. Notes 30/187 3134-17 CM. Microsystems 3.7p Cranswick 5.2p Calve Intl Finance Sub, Fits. Rate Na. 2001 31130-55 Durmont inv. Tst. 3.5p Dewillars 9.75pc Pri. 4.875p Dhone 5p (Ned Div. Cov. Pri. 2.5p 2.50 Currentle Importe Growth Treat 11.5pc Deb. 2018 05.75 Horizon Dept. 2018 05.75 Horizon Deb. 2014 05.75 Perigitab 5 Scottish Investors 11pc Deb. 2014 05.50 Falcon Mines N250.20 Falcon Mines N250.20 Finstory Smaller Co'a 7st. 1p Finst Nati. Floance B.3pc Cnv. Pt. 3.15c

First Nati. Pro-Prt. 3.15p Pitzwillon Units Irt.5140p Pitzwillon Units Irt.5140p Fleming Jupa Pri, 1.75o Pri. 1.75p Granada Crw. Pri. 3.76p Guarameed Export Phiance G Fig. Rate Na. 1995 £404.21 Guildhell Property 67g.pc 1st Mort. Deb. 9875 £3.4375 Hallitz Bulletina Secretar A) VS.48 Hanson 9 lpps Ov. Sub. 2008 E47.50 Hepotalim Intl. Gtd. Fitg. Rate Ats. 2007 \$224.34

Harstone 3p Harstone 3p Harstonere Estates 10<sup>1</sup>g pc 1et Mort. Deb. 2018 12.25 Heath (C.E.) 18.375p Hopkinsone 2.5p Do. 6 1go Ft. 2.625p House of Freser 8pc Ln. 93/98 M FREDAY JULY 31 Aegis 55pc Criv. Prl. 1999 2,75p Airtiow Streemlines 10pc Prl. Co. 8 t pc Ls. 92/96 CA.125 Do. 8 t pc Ls. 92/96 CA.125 Indust (Republic Of) 14/2pc Ls.

Levis (John) Props. 9<sup>1</sup>-tpc Milg. Deb. 52/87 E4 625 (Dearly Spc Pri. 2.1p Do. 9 Spc Pri. 4.73p Loves a Companies 7cts Lyman Prop. Reversionary 10<sup>1</sup>-tpc Ist Milg. Deb. 2017 C5 125 Macaltan Glentive 7 pp. Pri. 3.8p Today 74-pc Une Ln. 89/94 CL875 To lav. 10p \$6.25 TR High Inc. Tal. 1 4p Do. Sub. 1.5p Mandonald Martin Drawns and A 6.5g Dot, 5 3.30 Dot, 5 3.30 Molaysis 10 kp pt in, 2009 \$5.375 Markey 9 2-pc Prit, 2.2730 Mickechine 6 spc Prit, 2.17 Mexico Prit, 232 49 Marray Enterprise 3.8514p Merray Hoome Tet, 22p Marray Venturas 11.1pc 0 co. 91495 5.550 Michael Westminster Bank Venturas Nas 2009 \$1207.50 Michael Westminster Bank Venturas Nas 2009 \$1207.50 Trimoco 0 49 USF & G SQ.05 Westland 1.25p Whitbread A 12 4p Oo. 8 12.40 Do. 11 100 Dep. 2011 E5.8125

IWIL (1) Det. INL. Mort. Sacka Filig, Rabe Nis. 2028 2763,19 Pall Bots PHH 3005 Powerschap A.30 Propoler 20 An

Pressure: T-kpc Cnv. Prf. 3,8400
Protess 2.150
Ramso Oil 20
Rams Org. 6-kp (Net) Prf. 4,125a
Rams Org. 6-kp (Net) Prf. 4,125a
Rheyr Pisse & Gen. Inv. Tst. 3p
Royal Bank of Canada Filg. Rate
Dets. 2005 STR.91
Sainsbury (J) 5,356
SCBcorp. 70cbs
Scotisth Eastern Iow. Trust 9-kpc
Det. 2020 SA 875
Do. 12-kpc Deb. 2012 SC 1875
Scotisth & Newcastle 7pc Cnv.
Prf. 3.5p
Seton Healthcare 3.6p
Step I Transport & Treeting 7pc
S 2 56b

582.56 Smith & Nephew 5 In the Cum. Pri. 1.5259 Smith New Court 3 Sp Do. Red. Pr. 3.25p Smiths India. 11 Npc Deb. 85/2009 US.625 Skyrishness Sm. 03.626 Storphouse Spo Ln. 1982 C4.55 8 & U Stores 31 ppc Prl. 1.98075p Tarmac 8-kpc Lins. Ln. 24.378 Temple Bar 7pc Prl. 2.45p Teaco 4pc Lins. Deep Discount Ln. 2006 C2 rton Trust 7%pc 1st Pri. 2.83750
The Rack (1.50
This C P.I.M.B.S. First Financing
Ord, Nss. July 2029 E271.60
This C P.I.M.B.S. Fourth Financing
Orz. Nss. April 2029 E233.17
This C P.I.M.B.S. Ship Financing
Slow Pay Nss. Jan. 2029 E231.14
This C P.I.M.B.S. Third Financing
Slow Pay Nts. Jos. 2029 E273.29

Wobseley 2.1p Oo. 10ps Deb. 90/95 £5 E SAYURDAY AUGUST 1 Aberbeen Corp. Gas Anna. 12 So American Tel & Tel 33cts American Trest Spc Curn. Pri \$1.75 C1.75
Amerisch földs
B8A Soc Prf. 1,75p
Beitscutt filler
Gestage filler
Gestage filler
Datige filler
Bower Harbour Board 4% pc Deb
78% G Soc Bower Filler
Fi Dunedin Incom 3.5pc Pl. £1.75 Fleming Incom Fleming income a Lagran re10
Do. Units 10
Fleming Mercandle Inv. 1.6759
Do. 3.5pc Pri. 1.75p
Do. 3.5pc Pri. 1.75p
Do. 3.5pc Pri. 1.90
Do. 3.5pc Pri. 1.90
Do. 3.5pc Pri. 1.90
Do. 3.5pc De. 1860/95 \$1.75
Foreign Colorela Inv. Truet 61pc
Deb. 8752 \$2. 155
Jenners. Princes Street.
Edisburgh 10pc Pri. 5p
Levis (John) 5pc 1st Pri. 1.75p
Do. 10pc Pri. 2.6pp
Manchester Corp. 1801 3pc Red.
1941 (Dr. Aller) 11.50
Metropolitan Waser New River
Spc Deb \$1.50

Metropolitan Waser New Pilver spc Deb 21.50 Monias Inv. Trust 4.7p horth East Water 44 pc Deb. 2012 92.08 Do. 54 pc 2012 (22.58 Do. 10.5cc Deb. 1992/94 (53.28) Do. 10.5cc Deb. 2014 Series] 1592/94 (53.16 Do. 12.0c Deb. 2014 (53.90 ht/MEX 116cb Cueboc Central Ratiway 1st Mag Deb. 22 Watter Greenbank Red. Prl. 3.25p Whitbread Inv. 81g pc Deb. 87/ 92 13.25 92 13.25 Wisen inv. 2.7pc Pri. 1.35p Do. 61, po Deb. 90/95 13.375 Young Brewery Spc Pri. 4.5(

RESULTS DUE

Imperial Chemical Industries reports its second-quarter results on Thursday, when it is expected to produce pre-tax profits of £200m-£240m, down from £200m for the same quarter last year. One analyst said that a cut in the dividend would have a cataclys-mic effect on the market.

Results on the pharmaceuti-cals side will be watched closely. Analysts are keen to quantify the fall in Tenormin sales in the US since the expiry of its patents. The extent to which the new drugs, Zestril, Zoladex and Diprivan, have made up Tenormin's decline will also be of interest. Otherwise, agrochemicals are likely to be disappointing, and analysts will be watching the state of the basic chemicals market to see if there has been any sign of an upturn. The chair-

man's statement about future prospects will be closely exam-Midland Bank becomes the first of the Big Four banks to announce its half-year results on

Thursday.

The results are largely of historical interest since Midland was taken over last month by Hongkong and Shanghai Bank and will not pay a dividend to its former shareholders.

Last time round a poor performance on its UK banking operations drove Midland into a loss of £71m. This year it should be back in the black. UBS Phillips & Drew are predicting pre-tax profits of £120m, but a possible write-back of sovereign isbt could make the figure even

Liovds Bank will report on Friday interim pre-tax profits of around £355m against £331m a year earlier. It is likely to increase its interim dividend by about 15 per cent to 6.29 net. The result will underline its performance as the best of the clearing

**UK COMPANIES** 

BY TODAY
COMPANY MEETINGS:
Briskol Water, Bristol Most House
Hotel, Bristol, 11.00
Crassatick, Rowley Monor Hotel,
Little Weighton, Nr. Beverley, North
Hornberskle, 11.30
Erskley House, Erskine House, Cak
HEI Road, Savencaks, Kent, 12.00
Restiteses, London House, London
Rd South, Poyston, Stockport, 12.00
SOARD MEETINGS:
Finals:

GFM Jave Tel.

Gienchewine, Chelses Hotel, 17, Sloane Street, S.W., 10.00 Hell, St. Mary at Hill, E.C., 11.20 Market leventered Trans.

Tomple Bar lev. Tet III WRONESDAY JULY 25 COMPANY MEETINGS: Brettenham House, 5, Lancaster Place, W.C., 10.50

Cape, London Harriot Hotel, Duke Street, W., 12.00 Helma, Savoy Hotel, Savoy Place, The Emberdesser, W.C., 12.00 Helma, Savoy Hotel, Savoy Place, The Emberdesser, London Press Certire, New Street, E.C., 10.30 Herekalls, Forte Crest Hotel, Cittles Village, Brighouse, W Yorks, 2.30 South Power, Souther Endobling & Contention Centre, Florideston Street, Glasspow, 2.30 Streets padeseries, London Hilton Savesing bedeeries, London Hilton Voles, Holidey Inn Crowne Plaza Midland, Peter Street, 17.30 Whitesed, The Bravery, Chlevell Street, Ed., 12.00 BOARD MEETINGS: Plasts; Britan sie-Technol Staveley Industries, Hotel, 22, Park Lane, BOARD MEETINGS Insis

Essay, Stationers' Hall, Ave Marta
Lena, E.C., 3.00
Hewitel Whites, Orsett Hall, Prince
Cratice Ave, Orset, Essay, 11.00
Oxford Instruments, Old Seation
Way, Eshabara, Wiltony, Oxon, 11.00
TR Property Investment Treat,
Nermatid House, 2, Paddie Dock,
E.C., 12.30
Usesco, Evertend Road, Hungerland,
marticities, 12.00

Chambertill a Fill, Criticavory
Foundry, Walszell, 12.00
Ertal Income Trust, 4, Melville
Crescent, Edinburgh, 12.30
Franch Costedion, 1, Old
Burtington Street, W., 11.00
Harrissen Indontries, 41, Tower
E.C., 11.07
Fortsmooth & Strederland
Management, Erbn Heuge, Robusans International, into on the Park, Park Lane, W., 12.00 Sydus (Andrew), S. MoorReids Highwalk, E.C., 11.30 SOAFD MEETINGS:

SPE industries, Holes Index-Continental, One Hamilton Place, Park Lane, W., 12.00 Farbour Index, New Lodge, Dri Road, Windson, Berkshire, 4.00 Blacks, Laisure, Hoseard Hotel, Tempte Piece, W.C., 113. Signated, Institute of Directors, 1 Parl Mali, S.W. 11.30 Castable & Armstrong, Windson, 12.00 Castable & Armstrong, 12.00

#### **CONFERENCES & EXHIBITIONS**

OCTOBER 12 - 15

Total Quality Manage

William E Conway

Fax: (0621) 850972

OCTOBER 13

OCTOBER 20

OCTOBER 29

New ways to manage

Exploiting the Power of

Warsrick Bosiness School. Speakers are

sonior executives from National Westminster Bank, Toshiba and the

London School of Economics. Sponsored by Comshare, Warwick Business school

and Nolan, Norton & Co. Enquiries: The

Event Organisation Company. Tel: 071 228 8034. Fax: 071 924 1790.

The Right Way to Manage ©

Bill Conway, the first Western CEO to

implement the Deming philosophy in the West, will present his Right Way to

learn from his knowledge and turn

philisophy into practice. Mike Gellimore & Associates Ltd. Tel: (0621) 858058

WHAT IS THE FUTURE OF

The UK's first conference on NOVs NATURAL GAS VEHICLES - The Way

Ahead to a Cleaner Environment. Church House Conference Contre, Westminster

Telephone or fax: David Sothers, CEA.

ROAD TRANSPORT?

er. People of all levels can

BIRMINGHAM

LONDON

SEPTEMBER 2-3 World Aerospace & Air

Transport Changes in the structure of the world arrime and servepace industry, the impact of the Single European Market in air transport and its implications in the globalisation process will be under discussion. Enquiries Financial Times, Tel: 071-925 2323 Fex: 071-925 2125

SEPTEMBER 8 FIGHTER AIRCRAFT OF THE ISSC Seminar In London

International Seminars & Symposia Telephone: (+49) 228-6483-168 Telefax: (+49) 228-6483-200

SEPTEMBER 14-17

#### FIRE 92

for the whole fire protection profession. Contact: Jane Malcolm-Coe, FMJ International Publications Ltd Fax: (0737) 761685

EASTBOURNE

#### SEPTEMBER 16

**Retail Investments Regulation** The aim of the conference is to review retail regulation, how it will work in practice, the conduct of business in the new regime, commissions and approaches to training. Enquires: Financial Times Tel: 071-925 2323 Fex: 071-925 2125 LONDON

#### SEPTEMBER 18

Working with Regulation A one-day conference at the London School of Economics bringing together the regulators and the regulators from the fields of electricity, gas, water, aviation, telecommunications et. al. Themes: European constraints; natural monope quality of service; environmental

Details: LSE Tel: 071 955 7227 Pax: 071 955 7676 LONDON

#### SEPTEMBER 28

Education White Paper - Ideal outcomes? The Rt Hon John Patten MP who will outline the Government's proposals set out in the White Paper. The operation and effectiveness of the proposals will also be

Contact: Sandra Aldred. CBI Conferences, 071 379 7400 LONDON

#### SEPTEMBER 28 & 29 Retailing in the 1990s ng to the challenge of change will be the focus of the conference, looking at the affects of the recession, the Single Market and the changing

Enquiries: Financial Times Tel: 071-925 2323. Fax: 071-925 2125

OCTOBER 5 & 6

LONDON

#### Latin American Capital Markets To review growth prospects for the Latin American economies: Raising new

equity, issuing new debt and stock exchange reform. Enquiries: Financial Times Tel: 071-925 2323 Fax: 071-925 2125

LONDON

#### OCTOBER 7

Bridging Business & Technology This IOD confere

ace, in association with the CSA, will give buyers an insight into the changing face of technology and business re-engineering. Vital for buyers & suppliers of IT services; andience participation is encouraged. Enquiries: Director Confere Tel:- 071 730 0022

LONDON

#### OCTOBER 7

Latin American **Privatisation Programme** To assess the opportunities and risks of

for corporate restructuring and mergers and acquisitions. Enquiries: Financial Times Tel: 071-925 2323 Fax: 071-925 2125

#### OCTOBER 12 Marketing - More Important Than Ever?!

Baroness Denton DTI plus the CEOs/MDs of BAA, Scars, Pepsi Cola Europe, KP Foods, Thomas Cook Group, Mercury Communications, Burger King, Abbott Mead Vickers and the FT Group. The CLB Chartered Institute of Marketing. Call Century Comm

LONDON

#### **OCTOBER 12 & 13** Managing Financial Risks

The Workshop is an intensive, practical course simed at those who wish to understand the principles and practices of Onencial risk mar Enquiries: Financial Times Fax: 071-925 2125 LONDON

SEPTEMBER 7-8 5th European Financia Services Conference Area" Learn about the future of financial

SEPTEMBER 16-19

MADENCILIK/MINING '92 -

International Mining Exhibition

Representatives of the Turkish and

International Mining Community will

meet at this four day exhibition.

Exhibitors demonstrating state-of-the-est products services and technology. Please contact Ms Serra Talasti for further

PROPERTY SHOW in property. Significant representatives o politic authorities, banks and internations property companies will participal sed by the World As

information Tel (901) 274 23 85/86/87 Fax: (901) 273 27 34

SEPTEMBER 21-22 ARMAMENTS EXPORT CONTROLS IN EUROPE AND THE UNITED STATES ISSC - Seminar in Brussels Telephone: (+49)228-6483-126

Telefan: (+49)228-6483-200 BRUSSELS SEPTEMBER 24-25

narking in a Changing Conference jointly organised b DRI/McGraw-Hill and the Inte Beachmarking Clearinghouse - covering the major economic and political forces that will affect industrial competitivenes strategic planning, Total Quality Management and beachmarking, Contac Corisme Redomer, Tel: 081 545 6212. Corime Redonnet, Tel: 081 545 6212, Fax: 081 545 6248.

Tel: 071 248 4444 x 2070

OCTOBER 5-6

OCTOBER 13-14

Black Sea States, Turkey &

Two day Conference & Business Forum

with high level delegations. Details:

Tel: 071 386 9322 Fax: 071 381 8914

ing Russo/Central Asian business muities. Business Forum meeting

ISTANBUL

Trade & investm

Central Asia

Competitive Intelligence Strategies, Objectives, Organisation, Sources, Techniques, Tools, Analysis, Seminar presented by Kirk Tyson, anthor of "Competitor Intelligence Manual & Guide", For executives and analysis with

omue". For extensives and analysis with planning, besiness development, and research responsibilities. Also in BRUS-SELS 8-9 October, Connet IIB SA, Geneva, Switzerland, Tel; (41) 22 788 2751. Par. (41) 23 788 2726

#### **SEPT 29 - OCT 3** Pensions after Maxwell NAIROBI SHOW A conference examining the options for reforming pensions legislation. Speakers Horticultural Equipment & Supplies Industry, Information Stand in the British Pavilion. Companies wishing to promote include Social Security Minister Anne Widdecombe, regulators and pensions experts. Contact: Isin Dale, The themselves in the East African region should contact a.s.a.p. Tracey Darrell, London Chamber of Commerce &

Fax 071 730 0460 LONDON NOVEMBER 3 **Developments in Competition** 

A Conference examining legal and political developments in UK and include Corporate Affairs Minister Neil Hamilton. Contact: Izin Dale, The Waterfront Partnership Fax: 071 730 0460

LONDON

## INTERNATIONAL

services in the new "greater" Europe from expert speakers, From: EC Commission, EFTA, EC financial institutions, and the Contact: Elaine Fitzsimons, Lafferty es, Dublin Tel (+353-1) 718022 Conferences, 1713594/718240 Fax (+353-1) 713594/718240 REYKJAVIK BERLIN INTERNATIONAL

**NOVEMBER 9-12** 

The premier exhibition and conference is Berlin for sales and marketing executive Property Investment and Construction. Enquiries: WAPIC in Geneva Phone 41 22 7 989 989 Fax: 41 22 7 910 885 BERLIN

## TRADE MISSIONS

OCTOBER 4-20 EGYPT/JORDAN/SYRIA The London Chamber of Commerce and Industry is organising a trade mission to Egypt, Jordan and Syria. Companies from all sectors are welcome to join and experience first hand these important markets for UK products. Contact:

Dennis Leith, LCCI Telephone 071 601

**OCTOBER 11-16** CZECHOSLOVAKIA

1928 Fax 071 489 0391

This London Chamber of Comp distion will visit Bratisfava, Kosico and Prague with a full programme of can also be arranged and all sectors are Simo of arranged and act. Rosemary atman, LCCL East Europe Division. Tel: 071 248 4444 x 2063

OCTOBER 20-25 FINLAND

The London Chamber of Commercial mission in partnership with Saab Antomobile AB will be besed in Helsinki & provides excellent value with Saab ing the cost of hotel & sirfare. KENYA Contact: Ms Maung, LCCI Tel: 071 248 4444 Pag: 071 489 0391

> NOVEMBER 15-20 SWEDEN

The London Chamber of Commerc Mission in partnership with Suab automobile AB will be based in Gotenburg & Stockholm with an stunity to visit the Stab factory. Such will cover the cost of botel & sirfare. Tel: 071 248 4444 Fax: 071 489 0391

**DECEMBER 7-11** HUNGARY DTI supported Mission visiting Budaper

and possibly a major regional centre. Companies from all sectors are welcome; those new to the market will find this t particularly useful introduction. LCCI. Base Eurone Division.

delin light

## 

On the 6th October the Financial Times proposes to publish a survey on

## Cable & Satellite **Broadcasting**

With an ever increasing array of television channels on offer to viewers via satellite and urban cable networks this survey is both timely and relevant. It will be published in full circulation of the Financial Times with an estimated one million readers in 160 countries world-wide. For details of advertising rates and an editorial synopsis, please telephone

Alicia Andrews on 071 873 3565 or fax 071 873 3062

FT SURVEYS

#### CLASSIFIED BUSINESS TRAVEL

**FLIGHTS** 

MIDDLE EAST ALL FLIGHTS DISCOUNTED! Abu Dinabi (184 pm.
Dobni (184 pm.
Bahmin (1802 pm.
MATIONS: ALSO REPORT A (1816)

LUXURY DIESEL TRAIN

Fully air conditioned. 17 beds, private facilities, 2 lounges, kitchen.Standard gauge. For exclusive incentive charters. Based Mannheim/ Frankfurt, Germany.

DISCOUNT FARES In ist Class, Club
& Exonomy Class
Also Concorde
For the best guaranteed deals
Please counter the experts

071-439 2944 Fax 071-734 2242

Pan Express Travel

The General Tel: 49 89 749574 Fax: 49 69 749916 Th: 41 414871

target the Business Traveller, the logical move is to advertise in Europe's Business Newspaper - The Financial Times. To reserve space in this section contact : Scott Caisley on 071-407-5751

If your Company is

looking to attract or

## CLUB CLASS

First Class, Economy. Discount fares experts. Richmond Travel 081-332 2288. ABTA 52151 - IATA,

#### LET'S GET IT RIGHT

If you have a complaint about an item in this newspaper which concerns inaccuracy. intrusion, harassment or discrimination, write to the editor about it.

If you're still dissatisfied you can write to the Press Complaints Commission, an independent organisation established to uphold an editorial Code of Practice

THIS NEWSPAPER ABIDES BY THE PCC's DECISIONS

for the Press.



SALISBURY SQUARE LONDON EC4Y SAE

Telephone 071 353 1248 Facsimile 071 353 8355 This space has been donated by the publisher

建双甲基基基基基 医皮肤

TO ADVERTISE IN THIS SECTION PLEASE CALL DOMINIC MORGAN ON 071 407 5752

#### THE BARCELONA OLYMPICS



## US makes an early strike for gold

Keith Wheatley's look behind the scenes at swimming precedes disappointment for Britain

VEN before the spar-record of 61.5 seconds. kling Piscines Bernat Gillingham, 25, whos Picornell had been monwealth record of 6 filled with water, it was obvious that yesterday's men's 100 metres breaststroke would be the most competitive swimming event at the Olym-pic Games. Nine of the fastest times ever had been set within the past 12 months, so that Nelson Mandela's presence in the VIP box merely added to the electric atmosphere at pool-

As things turned out, Britain's hopes of a fast start to the Games quickly fizzled out in the breaststroke final. Nick Gillingham, the world's fastest man this year, and Adrian Moorhouse defending the title he won in Seoul four unable to repeat any like years ago --could only finish his best -- 61.49 secs - trailing 7th and 8th respectively. Nel home last in 62.33 secs.

Gillingham, 25, whose Com-monwealth record of 61.33secs at the trials left him top of the world rankings, was the most disappointing, though his effort could have been affected by a long-term groin strain which caused trouble again after yesterday's heats and needed physiotherapy.

Gillingham had apparently considered pulling out after finishing fourth fastest quali-fier, to save himself for the 200m breaststroke, instead, he took the plunge and was always struggling to keep up.
Moorhouse, messawtile, had
entered the Games as an
underdog after falling to record
a fast time this year, and was

61.33secs looked vulnerable, but survived. Among teammates, Rozsa is known as "Ric-hie" because of his striking facial resemblance to the young Richard Burton.

How Hungary has retained its traditional power in swim-ming is one of the minor mys-teries of post-Cold War sport. Training camps in San Diego and Mauritius appear to present no financial problem. In 1991 the 11-strong Hungarian squad broke six world records, while the rest of the world's swimmers managed only eight between them.

Moorhouse's muscular style seems to have been adopted by Dmitri Volkov of the former Soviet Union, who set the fastest qualifying time of 61.74sec. As he churned down the pool 7th and 8th respectively. Nel home last in 62.33secs, beneath the sparkling Catalan is over. Son Diebel of the US took the Hungarian swimmer Norbert gold medal in an Olympic Rozsa's current world record of whirlpoools and waves.

If his horsepower were ever harnessed to Gillingham's fluid balletic style there might be a record to stand for a decade.

However, as always in swimming, there was the might of the US to consider. Shavenheaded Diebel, 22, had set the second fastest 100m time of 1992 and looked aggressively determined. Naturally, a freshly shaven pate - complete with rezor nicks always looks impressive. After his victory, Diebel, who

confesses to having been hooked on soft drugs from 12 to 16, said: "Swimming is the path by which my life was turned around."

It is a fact of top-class swimming that the era of 13-year-old muppets, driven to swim hour after hour by wicked coaches,

Most of the US women's team are over 20. Three are

#### OLYMPIC NEWS IN BRIEF **Germany beat India** 3-0 at hockey



Germany crushed eight times Olympic champions India 3-0 with devastating corner drills yesterday to launch a drive for gold in the men's hockey tournament

"We had very good short corners. We were awarded three and scored from each of them," coach Paul Lissek said. "That was the success of this match." However, he said his team

had made too many errors. In other opening matches, Britain overcame Egypt to win by 2-0 and Australia won 7-0 against Argentina. Spain swept past New Zealand 3-0, delighting a local crowd, including International Olympic Committee president Juan

#### US basketball team punish Angola

Antonio Samaranch, in Terrassa, outside Barcelona.

The US Dream Team purred like a cat and roared like a lion as they pulverised a woefully overmatched Angola 116-48 in their opening basketball game.

Sputtering only at the very start against the African champions, the team of millionaire superstars flew to victory after scoring an amazing 31 unanswered points.

#### Bombs hit power line

Two bombs knocked out the main Franco-Spanish electricity line at Belesta in the eastern Pyrenees during the opening ceremony at the weekend, French police said yesterday.

The Spanish Basque separatist organisation ETA, which had vowed to disrupt the Games, is suspected, said police.

#### Australia takes cycling honours

Australian Kathryn Watt took the gold medal in the women's individual road race after Marie Purvis, the UK national champion, suffered a puncture while leading the race. Purvis, from the Isle of Man, eventually finished 24th.

#### South Korea wins first gold



An unknown novice South Korean markswoman snatchi the first gold medal of the Games yesterday in the air rifle event.

Yeo Kab-soon, an 18-year-old sports instructor, said she had thought she might squee into the final eight but had never dreamt of taking gold shead of the experienced Vesela Letcheva of Bulgaria, the 1989 world champion. Yeo notched up 498.2,

just outside the world record

Yeo started Olympic air rifle shooting three years ago after

#### Gold can for Chinese winners

Chinese athletes will be getting more than just a gold medal if they come in first at the Olympics. They'll also get a solid gold pop-top can from Jianlibao, a Chinese soft drinks company

## Barcelona: a city transformed

about the grass. Other visitors to Barce lona may have had other preoccupations. Newly arrived athletes from around the world unpacked their Reeboks and frolicked in the Olympic village. VIPs jetted in from dis-

tant corporate HQs and wined and dined the nights away aboard luxury liners. Crowds of foreign press and hordes of Japanese cameramen swamped the streets looking for copy and filming anything that moved. As the Games' extravagant

Saturday opening ceremony at Montjuic - the hilltop Olympic site in the middle of the city - approached, Olympic fever, a spreading virus, struck everywhere. All Barcelona ate,

I did not dream Olympics. Through the airless wee hours of the night I lay sleepless; listening to the sounds of adolescent motorcycle hooligans buzzing around the periphery of the Press village - and wor-rying about the grass. It was

not growing fast enough. Throughout the week, Spanish contractors had been working at breakneck pace to complete the city's vast and grandiose Olympic plans on time. On Montjuic, mobile cranes lifted ornamental stone pediments into place. Excavating machines dug trenches for power and communication cables. Scaffolding was thrown up to put the finishing touches to building façades. Hammers rang, drills whined, trucks ground in low gear. In their frantic haste, no one seemed concerned about the decorative lawns they were bashing, bruising and ripping up in the

process From the Placa d'España, the imposing entry point into the Olympic area, to the great stadium showcase at the top of Montjuic, everything looked magnificent - the broad processional avenue festooned with fluttering Olympic banners; the tiered fountains and ringed spectacle. cascading watercourses on the hillside; the art nouveau lamp deners, on the other hand, ical - can be complete without good swing of that sickle.

SPENT most of last week standards; statues of nudes watching and worrying and buildings of baroque

Everything was perfect, but for the grass. Wide swattes of ground lay bare, fallow and ugly.

To me, the entire Olympic

project and all it involves - 11,000 athletes from 172 countries, 15,000 journalists, 10.000 paramilitary security men, six years of preparation, \$4.6bn worth of investment, the hopes, dreams and financial prospects of sprinters, politicians and advertising agencies - seemed threatened.

seemed to take it for granted. Perhaps, like most Catalans, they have become entirely used to rapid growth and star-

thing results. For most of us, the Barcelona Olympics are a two-week entertainment, a spectacle of youthful athleticism. For Catalans the event is something far more besides. As Lhuis Arnet, municipal councillor in charge of city planning, has put it, the Olympics "have provided us with an extraordinary pretext for mobilising resources with

which to transform the city." And transformed it they How could the opening care have. For Barcelona this is an mony, I wondered, be shot unequalled opportunity to

Nicholas Woodsworth looks at Catalonia and its radically altered infrastructure drank, danced and dreamed stemming from the staging of the Games

> against a background of bare, black dirt? Forget about the \$0,000 punters paying \$400 a ticket to attend the opening ceremony personally. But what about NBC paying huge sums to broadcast it publicly? What about 3.5hn TV viewers around the globe. No amount of banners and bunting could hide

the eyesore.
"We have fertilised, we have seeded, we have watered," a city gardener told me with a wave of his hand. "It will grow. *Mañana.*" But with a week to go, broad expanses of ground around Montjnic, Barcelona's pride and joy, were as naked as an ancient Greek Olympian. Life, however, works myste-

riously under the Spanish sun. What began eight days ago as tiny tendrils poking out of the soil had become a faint blush seven days ago. By Tuesday, the blush had become a pale, electric green. The days went by. The young grass strengthened and grew by centimetres. By Saturday morning, when I rose early to check it one last time, it had become, if not a fully fledged English-style bowling green, an acceptable backdrop to the promised five-

I was astounded. City gar-

the first frame of the second decided in the first of the continue of the continue of the continue of the continue of

present an image of a city and a region that is modern, dynamic and ready to take on the coming challenges of the

single European market.

In a sustained burst of energy and spending, Barce-lona has not only rebuilt Montjuic but constructed more than 40 other Olympic vanues. A redesigned port, a vast new waterfront suburb, rejuvenated suburban peripheries, a new airport, an extensive new highway system, new hotels, skyscrapers, communications tow-ers and 150 new parks and urban spaces have all radically altered Barcelona's infrastruc-

he city's growth reflects Catalonia's growth. Catalonia has always been Spain's most industrialised, richest area. While Spain can claim only 72 per cent of average EC national per capita income, in the last five years Catalonia's income has risen slightly above the EC average; it is now

richer than Britain. But economics are not the

only factor that have made the

Olympics vital to Catalonia's

future. No equation in Catalo-

nia - economic, cultural, polit-

A people with a separate lan-guage, history and outlook on life - they were primarily

taking into account the

region's fiery nationalism.

urban and industrialised when the rest of Spain was still rural and agricultural - the Catalans have always been at odds with Castillian Spain. What was seen as imperial invasion and oppression in earlier centuries gave way to even harsher and more discriminatory treatment under Franco's fescist rule.

The result has been the growth, through the post-Franco period, of various strains of Catalan nationalism ranging from the modestly cultural to the stridently separatist. These days, Catalonia's semi-autonomous government hands out tracts to visiting Olympic journalists which call the region "a nation without a state of its own," but its leaders have ruled out the declara tion of an independent state. Other political organisations

call for more radical steps. The Olympics, however, have had a miraculous effect on the volatile world of Catalan politics. Catalonia's great hope for a leap into the future, they have moderated and drawn together all strains of political sentiment.

For the sake of the Olympics. industrialists, socialists, Spanish federalists and hard-core Catalan nationalists have all so far, made consensus and pragmatism the order of the

When 60,000 spectators made their way up the Montjuic hill-side to watch Saturday's spectacular opening ceremony, the first national anthem they heard in the Olympic stadium was not Spain's, but Catalonia's. Els Segadors is its battle hymn and rallying cry. "Tri-umphant, Catalonia will once again be rich and full!" run the words. "Let us swing the sickle! Let us swing the sickle, defenders of our land!"

By the time these Games are over, Catalonia may well be triumphant, rich and full. Certainly the grass lawns around Montjuic will be ready for a Jenny Thompson, for exam-

have the chance to be interest-

ple, is known around the team as a James Dean type. "She goes into town, gets the job done and leaves," said a teammate. Unfortunately, Thompson was unexpectedly beaten in the 100m freestyle final. Britain's favourite female

swimmer, Sharron Davies, is also struggling. At 29 and with Olympic memories stretching back to 1976, the leonine

even married. As such, they Davies must surely be on her swansong. In qualifying heats of the 400m medley she came

Yet it is a truism that the British love nothing more than a gallant loser. Davies was mobbed by cameras and microphones. Perhaps her mission as she left the pool for the Olympic village should have been to counsel the frisky young Australian females who had performed an impromptu striptease for male team-mates. The

## TO SUIT YOUR POCKET.

It's hardly surprising that the FT diaries have a worldwide reputation for the highest standards in both quality of sentation and content. No other diary draws on such an authoritative source as the Financial Times.

Our prestigious range of pocket disries continues to set the standards others follow, exemplified by the quality of the naterials used – huminous thick paper, heavy gilt edges, non-fraying marker ribbons, personalisation of your name in rich gold blocking.

This year the PT Pocket Diary and the PT Pink Pocket Diary will include a detachable Personal Telephone Directory tucked inside the back of the diary. It has a silver laminated cover and alphabetically indexed pages.

The FT Pocket Diary, 34 information-packed pages detail

26 international business centres, including local business hours. currencies, stock emhanges and public holidays plus hotels, restaurants and airports. Comprehensive UK coverage ranges from airports and car hire to theatres and cinemas. The week to view diary runs from 14th December 1992 to 2nd January 1994.

Desk Diary - rich black leather, burgundy bonded leather and black leathercloth. The FT Pink Pocket Diary with its unique landscape format, week to view diary and FT pink pages is bound in black

The FT Pocket Diary comes in three bindings to match the FT

bonded leather. The FT Slimline Pocket Disry. Covered in black bonded leather with FT-pink paper and matching ribbon, the FT Slimline Pocket Diary's fortnight to view format allows you to check your comings and goings at a glance. The overseas and UK information guides make it ideal for the executive on the move.

The FT Wallet Diary. Features the FT Pocket Diary bound into a beautiful gilt-cornered black leather wallet, lined in black mairé silk. It also comes with a jotter pad and a pocket for bank notes - you can't get more useful than that

FT COLLECTION - A QUALITY PROPOSITION. What we've shown here is but a small sample of the wide range in the FT Collection, so why not send for the FT Collection colour catalogue and see for yourself - it is packed with many invaluable business essentials from diaries to document cases. Contact us now on 071-799 2002, or write to FT Collection, FT Business Information, 50-64 Broadway, London SW1F ODB, or

send your business card. FIRST IMPRESSIONS THAT LAST. All items will be doubly welcome if they are personalised with initials and/or surname in high quality, long-lasting gold blocking. It's this kind of personal touch that enhances the pleasure and worth to the user.

#### THE WORLD'S MOST APPRECIATED BUSINESS GIFTS.

Our business gift services include . Gold blocking of your logo • Up to eight publicity pages in the diaries and personal organiser • Direct despatch of your gifts to the recipients together with your compliment slips or greetings cards \* Samples.

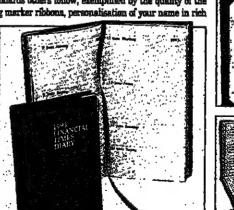
We will even reserve your choice of FT Collection gifts if you

LARGE ORDER DISCOUNTS Furthermore-order 25 items or more from the FT Collection and you will qualify for discounts of up to 25%.

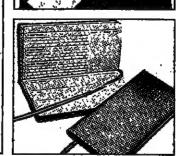
are unable to finalise your gift list early in the year.

COMMERCIAL SENSE Contact us now on 971-799 2002 for more details on our pusiness gift services, or write to PT Collection, PT Business Information, 50-64 Broadway, London SW1H 0DB.

DISTINCTIVE GIFTS THAT MAKE GREAT







ORDER FORM REF. 2012330000 FOR YOUR FREE Please tick where applicable.

Please send me the FT Collection Catalogue and Order FT COLOUR CATALOGUE ☐ I am interested in using the PT Collection as business gifts, please send me details.
☐ I wish to please a firm order as detailed below. RING 071-799 2002 NOW! Please return to:

FT Collection, FT Business Information, 50-64 Broadway, London SW1H 0DB. Tel: 071-799 2002. Teleo: 927 282 FINTIM G.

How to complete your order.

1. Indicate the quantity and type of diary you

. Indicate how many diaries you wish to have

gold blocked with initials and/or surname. EUROPE REST OF THE SUB TOTAL CTY AFRICAL C CODE CITY (nc VAT) CITY

HOW TO PAY. BY PHONE You can pay by credit card Check Card Order Line 07	by placing y		Despetch No.:		
All prices proun are prouped of personal and puriety of Proper stands who private will be first by us and as produced and proper you provide will be first by us and as produced and proper by comments and puriety of	by his mored to be	one has separated of colors to	FTBI	TOTALE	
Installs and Surrame (up to 20 characters)	ISAN	4,41	3.75	3.75	
Initials Only (up to 4 characters)	1	2.47	2.10	2.10	
PERSONALISATION					
Wellet Darry	WD	23.00	20.05	20.60	
Similine Pocket Diany	SP	12.15	10.60	10.50	
FT Pink Pocket Dany	PP	14,00	12.40	12.85	
Podes Diery, black leatherdon	PC	12.09	10.55	10.85	
Pocket Diary, burgundy bonded lealher	PB	13.38	11.60	11.90	_
Podest Digry, black leather	PL	14.50	12.55	12.85	

BY FAX. If you wish to pay by credit card you can tax this order to us on our Credit Card Fax Order Line 071-709 2268.
BY MAS. Return this order form with your payment to the 

PRODUCT

1993 DIARRES

**107** 071-799 2274 Card No. Bapby Date:

For further information on business gift orders please ring 071-799 2002.

CREDIT CARD ORDER LINE

**BUSINESS LUNCHES** 

## A light bite and a heavy sell

Michael Cassell begins a series on expense account eating



wimps", to quote Gordon Gekko, the Wall Street finan-cier who preferred to dine off other people's misfor-tunes, then the streets of London

IF lunch is "for

are well populated with weaklings. For in spite of the longest reces-sion for 60 years, the business lunch is still on the day's agenda across the Square Mile and throughout the West End.

It may be quicker, almost certainly cheaper and possibly health-ier, but the working lunch remains big business in the capital, where restaurants are trying harder than ever to make their cash in two hours, five times weekly.

The excesses of the 1980s have

gone, with customers increasingly going for the "menu rapide" instead of the 1980s-style blow-out, when champagne stocks ran out and the bills ran up.

But many people still make time for a bite to eat with the contact who would otherwise remain a disembodied voice on the telephone.

"Lunch today is a more modest affair but it still counts. It's usually one or two courses, a glass of wine, a bucket full of gossip and, with some luck, the chance of a deal. That's good value for £50," according to Jamie Dunn, a futures mar-

Marche, a former warehouse close to the Barbican and now one of the most popular business venues.

"Lunch is not a perk. Good times or bad, it always belps if you can look someone in the eye when you need to," says Neill Moran, an investment banker indulging his guest in one of 36 varieties of champagne available at The City Flogger. "I would refute the idea that hard times have wrecked the business lunch. Try turning up at any good restaurant in the City without booking and you run the risk of embarrassing yourself in front of your client," according to Mark de Wesselow, publisher of Square

Meal, the City and West End guides to eating out. He adds: "The fact that, even in a recession, the Square Mile alone can support well over 225 restaurants is the greatest testimony of all to the role of the business lunch in the 1990s." Even so, many big employers in London have cut back their enter-

conclusion," says Murray Jacobs, a

commodities broker who has

crossed the Thames to lunch by

tainment budgets - £25-£30 per head for lunch seems about average - although there is always the tricky question of not appearing either too cheap or too extravagant. "If it's cheap and nasty, you know they're having a hard time. If it's over-the-top, you can draw the same

ket man buying lunch at Le Cafe du Tower Bridge at Sir Terence Conran's Le Pont de la Tour, one of the current places to be seen. Do not use it, or the Stephen Bull bistro near Smithfield market, if you want to keep your business liaisons

Increasingly, large companies are trying to make lunch an in-house affair, where the duration and the cost can be better controlled.

Goldman Sachs, the US investment house, was once regarded as one of the more generous lunchtime entertainers around the City but it now boasts a stylish, 10thfloor restaurant in its modern, Fleet Street headquarters.

Christopher Brown, the managing director of Corney and Barrow, which has seven city restaurants, confirms that people want better value out of lunch. This year average expenditure is down by nearly 20 per cent, although the number of transactions is up 30 per cent.

"It is a question of talking six to the dozen about business in the time available." To compete for clientele, Corney and Barrow offers little extras such as a "host button". enabling the host to surreptitiously summon service without interrupting the flow of conversation.

Although companies like Legal and General, National Westminster, Gestetner, Shell and Imperial Chemical Industries have removed alcohol from their premises, the capi-



tal's wine and champagne bars are bearing up. Pimms or champagne still top the summer pops.

London can also claim to offer a more interesting range of food than was the case a few years ago. The French cuisine which first ousted the "nursery" food beloved of British businessmen has been joined by tastes from around the world. Oriental restaurants such as Tat-

suso - the Japanese restaurant in Broadgate Circle - thought to be the first in Britain with a Michelin star - are increasingly popular. But old eating habits still die hard. Simpsons in Cornhill, purveyors since 1757 of steak and kidney pud and plum duff and custard, has its loyal fans. Places like Sweetings, the most hectic fish restaurant in

town, and Bubbs, a maroon-pan-

elled oasis alongside Smithfield

market, also rarely lack customers.

Some of the most popular restau-

rants for a business lunch, however, remain well over the Square Mile's western boundary. The Savoy Grill, where favourite tables are annoyingly reserved for captains of industry or the Chancellor of the Exchequer, still ranks among the most popular lunch-time venues. Others include the Connaught,

where quall's eggs in pastry boats offer a tasty insight into what can follow, Wiltons, the Jermyn Street fish restaurant favoured by prop-erty men and former prime ministers, and Le Gavroche, a shrine to the Roux brothers.

Many of them will effortlessly deduct well over £100 a head from any expense account, though the bill will be less indigestible at some of the newer, trendler West End eating spots, such as Orso in Covent Garden, used by younger executives. out to impress Similarly, sassy places to talk

Park Lane and Le Caprice - sister restaurant to the wildly popular Ivy behind the Ritz, itself offering one of London's grandest dining rooms and dubbed the "Trafalgar House canteen" in deference to the hotel's owners.

business include the Greenhouse off

Conran fans away from the City head for the light and spacious Bibendum restaurant in the Fulham Road's Michelin building while the set lunch at La Tante Claire in Royal Hospital Road provides an opportunity to marvel at Pierre Coffmann dishes which can cost a bomb in the evening.

But if your expenses cannot stand it, try a fresh approach. Whisk your guest up Bow Lane and usher him into Sorella for a tasty triple-decker honey roast, Jarisberg cheese and turkey sandwich an ciabatta bread. The cost? A mere 22-75 - unless the chauffeur gets a ticket.

this was a result of the MBA," says

the report modestly.

The effect of sponsorship is not straightforward. Whereas sponsored employees are more likely to stay with their employers, the unspon-sored are less likely to change employer than the part sponsored. "Possibly this is because an employee who has undertaken such a commitment does so because it is the only way they can see to change function or achieve promotion."

1 The MBA at Cranfield 1970-1990, Cranfield Institute of Technology, Cranfield, Beds MK43 GAL. 2 The Evening MBA Alumni Survey, City University Business School, Barbican Centre, London EC2Y SHB.

## Legend behind the cash cow

ew people have had as much impact on international business in the second half of the 20th Century as the founder of the Boston Consulting Group, Bruce Henderson, who died last week aged 77 in the city where he was born. Nashville, Tennessee.

Though this might be disputed by US General Electric and BCG's top consultancy rivals at the longer-established McKinsey & Co, Henderson's greatest claim was to have put the concept of competitive strategy on the map. Until he founded BCG in the early 1960s, the competitive element of strategy was conspicuous in most corporate analyses by

Henderson was the father of two analytical tools for which BCG had become famous - even notorious by the late 1970s: the "experience curve" and the portfolio "growth share matrix". These, in turn, launched BCG's gospel about the all-importance of high market share. They also gave rise to such graphic expressions as "cash cows" (businesses which can be milked for cash) and "dogs" (those which should be sold or eliminated).

By the time he retired in 1985, his empire had grown to 500 employees and nine offices. In the last seven years, its size more than doubled, to 1,300 employees in 19 offices around the world. That growth rate spells manifest success with clients. Yet, many executives who have never used BCG's services still view the firm critically, as an arch-exponent of the discredited peddling of packaged solutions.

This is an unfair allegation - witness, BCG's recent sophisticated work on quality and "time-based management". But it is one which several former colleagues felt Hen-derson brought on himself, by being such an arch-simplifier and salesman of his own and his firm's ideas. Henderson belonged to that size-

able branch of the strategy world whose first degree was engineering. rather than arts, social science or economics. Hence, his deep interest in complex systems - a field which is only now having an impact on business through the concept of "organisational learning." He had little time for economists, arguing - with much justification - that "Darwin is probably a better guide to business competition than economists are.

Christopher Lorenz

#### erying the value of an MBA is all the rage, but some consumers still seem to think it is value for money. So say two very different surveys of graduates from British business schools - published, you should be warned, by the institutions them-

The first, a survey of graduates from Cranfield School of Management's full-time MBA programme between 1970 and 1990, shows all but 3 per cent of alumni "highly satisfied" and nearly 90 per cent avowing it as "important" to their

However, the main reason for taking the MBA had changed, in 1970

Cremdon Structures Ltd, Long Crendon, Aylestury, Budgs, 16718 GRR, Tet Long Country (Table)

**Portsmouth** 

EDMUND NUTTALL has

secured a contract worth about

£3m to build a quay wall at the

Albert Johnson Quay in Ports-

mouth City Council, whose

engineers have designed the

works and will supervise the

involve dredging for the new

approach channel and berth,

reinforced concrete relieving

slab on to which crane beams

will be constructed for dock-

construction of foundations

and associated services for a

quay for soft fruit storage.

Social housing

PEARCE CONSTRUCTION

ciation, funded by the Housing

The project involves the con-

struction of 64 dwellings in the

Winyates area of Redditch,

Worcestershire. Adjacent to

existing domestic housing, the

development comprises 14 two-

bedroom houses, eight three-

bedroom houses, 34 one-bed-

room flats and eight two-bed-

room flats. The project has

started and is expected to be

finished in 40 weeks.

Corporation.

side luffing cranes to travel.

mouth. The client is Ports

Harbour

project

contract.

P18 988 Tet Long Crendon (0844) Fax (0644) 201622 Telex, 83249

#### Are MBAs still useful to ambitious business people? Andrew Adonis investigates

## Sharper skills and bigger pay cheques

level of Marks & Spencer's

An enlarged 14,000 sq ft food hall will be installed in the

basement and completely new

modation will be provided at

start work in September to

enlarge the city's principal

Marks & Spencer store. By con-

verting a stockroom, the

ground floor sales area will be

An enlarged 14,000 sq ft food-hall will be installed in the

basement, whilst a take-away

food shop will be created

within the ground floor sales

ted to relate to a bridge designed for road, but with the

potential to be adapted to road

plus rail at a future date and at

The bridge will be the first

fixed transport link across the

Chester western bypass next

month, while work on phase

one of the Leeds city centre

design and construct contract

for community housing.

this autumn.

minimum incremental cost.

enlarged by 18,000 sq ft.

In Manchester, Bovis will

staff quarters and office accom-

main city store.

the third floor level.

the top reason was "to change career"; since 1975 the top slot has "to acquire new skills", Despite that, the number of company-sponsored students has dropped from nearly a quarter in 1970 to 4 per cent in 1990. Cranfield's part-time MBA seems to have taken most company-sponsored students.

On the pre-MBA background of students, in the first 10 years of the programme there was a shift away

BOVIS PROGRAM MANAG

EMENT has been appointed

project manager of an £11m contract to build an accident

and emergency department for the North Middlesex Hospital

(NHS Trust) in Haringey. This contract is the first phase of a

four phase redevelopment

scheme valued in excess of

**Bovis Program Management** 

started work on the design of

the development in April. The

building, which will provide

37,500 sq ft of medical facilities.

will be built on the site of a car

park which will be relocated

elsewhere in the hospital

grounds.

from large companies (turnover in excess of £100m a year) to small companies (turnover up to £10m a year). Since 1985 this shift has slowed, and the last year surveyed (1990) saw a move back to mediumsized and large companies, possibly as a result of the recession.

Some things remain fairly constant. The salary differentials pre/ post MBA stayed typically in the order of 30/40 per cent. Similarly,

CONTRACT

surveyed regarded finance and accounting, followed by marketing,

as the most valuable programmes.

The second survey is of students on the part-time MBA at London's City University Business Schools which runs one of the UK's largest evening MBA courses. The course, begun in 1983 for City workers. takes nearly 100 students a year. The average age of students sur-men. Around half had their fees paid by their company, with another quarter part-sponsored. Graduates produce the usual list of benefits ("thinking strategically", "wider understanding of business"), but a surprisingly high number volunteered "credibility" as a benefit. And guess the average salary. increase? Yes, another 30 per cent. "It is not possible to say whether

## PEOPLE

## Swanson finds a home at Tay

John Swanson, who was forced to resign as chairman and chief executive of Barratt Developments 12 months ago, is back building houses. He has been appointed managing director operations of Tay Homes, the Leeds-based house-

builder which seems to be

weathering the recession better than many of its rivals. There is a certain irony about Swanson's arrival at Tay Homes. Not only is the company in a much healthier condition than Barratt, but its two founders - chairman Trevor Spencer and chief executive Norman Stubbs - started Tay after Barratt took over their old company, Bracken Construction, in the early 1970s. Trevor and I were against the takeover," says the 50-year-old Stubbs. So they decided to

set up on their own when Barratt took over. They still own 27 per cent of Tay which went public in 1983. Although the 1,000 houses a year that Tay builds is small by comparison with Barratt's 5,000, Tay has avoided paying too dearly for land, Swanson, 45, was ousted from the Barratt boardroom last year following a £106m loss, most of which resulted from the need to write down the value of the company's

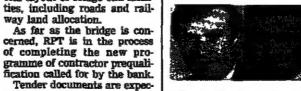
land bank.

Stubbs says that Swanson was a "victim of circumstances". He had kept in contact over the years and took him on as a consultant after he left Barratt, "We needed some more help and John was the ideal chap, says Stubbs Swan-son will be in charge of day-to-day operations and in particular, will be concerned with the development of the subsidiary companies in Glasgow, Leeds, Cheshire, Leighton Buzzard and Plymouth.

The arrival of Swanson means that Stubbs, and the 60year-old Spencer, will be able to spend more time formulating group policy.



#### Electronic switches



■ Dennis Grice has been appointed finance director of AT&T CAPITAL; he joins from AT&T Systems Leasing, US. Kim Dicks has been appointed director of AT&T Leasing, a division of AT&T Capital. John

Burris has been appointed md of AT&T Business Communications Europe: he moves from AT&T Business Communications Systems in the US. Jim Wilkinson (above left), formerly sales and support director of Ungermann-Bass's UK subsidiary, has been appointed md of AT&T EASYLINK SERVICES' UK business. ■ Ian Craig (above right) has been appointed group md UK and Richard Reid deputy md

private switching in the UK for NORTHERN TELECOM EUROPE. Stuart Walsh, formerly vice-president European operations for Marcam, has been appointed TIK chief executive officer of ROSS SYSTEMS; he succeeds Larry

communications division.

Smart who becomes president. North American operations. ■ Chris Rogal, a consultant with KPMG, has been appointed marketing director of the UK operations of CSC EUROPE.

Ed Hough, formerly md -Europe for Johnson Matthey. has been appointed chief executive of SECURICOR's



The chairmen of Manganese ment. His skills in this last Bronze, maker of London's area could come in useful at famous black taxi cabs, have a Manganese Bronze, which has been hit hard by the recession. tendency to die in harness. Although Manganese Bronze is capitalised at just £13m on Hence the company has decided to pick a relatively the stock market, it always youthful Hugh Lang (above), the former chairman of manseems to have been able to recruit high profile figures as agement consultants P-E International, to fill the chair chairman. which has been vacant since Rocky Stone died in April. Lang's predecessor, 77-year-

old Rocky Stone was a leading Lang, 59, trained as a metallight in the Industrial & Comlurgist, but joined P-E as a mercial Finance Corporation management consultant in . and sat on the boards of Smith 1961. In 1980 he was made New Court and Babcock Interexecutive chairman and national Meanwhile Stone's brought the company to mar-ket in 1986. Before he stepped predecessor, Dennis Poore, headed the company for 21 down last month, he had been years, and was a driving force in trying to save Britain's specialising in the fields of board structure, top organisamotor cycle industry. He was tion and business develop ... 70 when he died in office.

## finance

Moves in

■Danny Truell has been appointed head of Hong Kong Research, SG WARBURG SECURITIES (Far East). Francis Peckham, director SG WARBURG & Co, has been made director responsible for Warburg's investment banking activity in south east Asia.

■ John Campbell, md of Framlington Pensions appointed a director of FRAMLINGTON GROUP. ■ Ronald Spinney, founder director of Greycoat and a director of the London Docklands Development Corporation, has been appointed a member of the board of HANOVER PROPERTY UNIT TRUST.

■ Brian Constant, a corporate banking director of Lloyds Bank and current chairman of the executive committee. of the Middle East Association. is appointed a director of GUARANTEED EXPORT FINANCE CORPORATION. Peter Hargreaves (below left), formerly director of UK and international institutional client services at Fidelity, has been appointed a director of -GARTMORE Pension Fund Managers. Andrew Jardine (below right) is appointed a director of GARTMORE Investment Trust Management, he moves from Henderson Administration.



#### RENDEL PALMER & TRIT eral layout of bridge end facili-Proposed TON and its fellow consultants Jamuna Bridge ties, including roads and railway land allocation. As far as the bridge is con-

New Bangladeshi bridge design study

Hospital development scheme

which will feature two new

orthopaedic wards, two operat-ing theatres, an accident and

emergency department with a

specialist fracture clinic and X-

ray department, will begin in

July 1993. The project is sched-

uled for completion in January

Bovis Construction, another

P&0 company, has been

awarded two contracts.

together valued at more than

£12m, to design and build

regional centres for Marks &

Spencer in Birmingham and

In Birmingham, work will

start in September to design

and construct a 23,000 sq ft

Manchester.

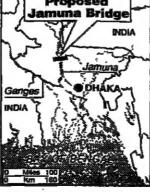
Construction of the building, sales floor at the second floor

The latest project will consist of deepening the Albert on the proposed £310m Jamuna Johnson Quay dockside and strengthening the quay to accommodate larger general grate the bridge end design cargo and reefer vessels. with the land use master plan Although overall duration of drawn up by another British the contract is 40 weeks, 100 consultant, GHK/MRM Internametres of new working quay has to be completed and operait is recognised that the

tional by mid-December. Not only does the project World Bank-funded bridge will provide considerable development potential at the bridge ends and that it is vital to but also the construction of adapt and integrate the master about 200 metres of quay wall plan with the engineering in front of the existing quay. This will comprise steel sheet design and tender documents. RPT, its engineering partpiles, raking steel bearing piles ners NEDECO of Holland and from distribution of landfill and a reinforced concrete the locally-based Bangladesh and integration of re-settleanchor beam to support a

STRUCTION has won another

Further works include the The regional business of



number of factors. These range Consultants, will consider a ment sites to assessing the gen-port, Chittagong.

The unit will have concrete

crete floor, steel portal frame,

Jamuna River, which forms a 15km barrier separating the fertile north-west zone from the commercial centre, Dhaka and the country's primary

## £10m orders won by Trafalgar House

civil engineering and building and internal offices. This includes a £2m contract for the construction of an industrial unit for Abbey Life County Council and the Leeds has won a £1.75m contract Assurance Co to be built on a City Council. Work will begin from the Guinness Trust, a site adjacent to the Euroway

TRAFALGAR HOUSE CON- foundations, a reinforced con-

loop has already begun. In Scotland a £1.2m contract cold storage shed behind the £10m worth of contracts for profiled steel roof and wall cladding, brick external walls has been awarded for ground-Road construction contracts works and site preparations worth almost 22m have been associated with the Abbey secured from the Cheshire Retail Park at Coatbridge. In Wales the company has a £1m

## Fitting out major retail developments

companies have picked up two retail fitting out contracts, together worth nearly £5m.

The first was awarded to

leading national housing asso- Industrial Park near Swindon. on a 500 metre section of the

Taylor Woodrow Construction Southern, Southall, for the Safeway store at Thomas More Square adjacent to St Katharine by the Tower in another subsidiary of the Tay-

TAYLOR WOODROW GROUP London. Worth 52.6m, this follows a £3.7m contract by Taylor Woodrow earlier this year to build the store.

The second, a £2.1m contract at Watford for BhS - formerly British Homes Stores and now part of the Storehouse Group -has been awarded to Myton,

lor Woodrow Group and based in Hayes, Middlesex. both the ground and first-floor levels into the Harlequin shopping mall, together with refur-

It involves extensions at bishment of the sales areas and a 100-seat restaurant. Both contracts are due for completion

In fact, that was even then not quite that for the theatre itself. The following evening it fired into action one last time, for a gala audi-ence (aptly thanked by Sir George for paying "extortionate prices") and a stage full of Glyndebourne opera stars past and present Mon-tserrat Caballé, Frederica von Stade, Ruggero Raimondi and Felicity Lott among the singers. Janet Baker, Elisabeth Söderström and Geraint Evans in speaking, memo-ry-recalling roles, and the LPO and Glyndebourne Chorus conducted by Strauss's Capriccio, and diverse Opera/Max Loppert

## Thursday after the final curtain calls of the 1992 Glyndebourne Festival's final performance. He was in his best dry, throwaway vein, and his best dry, throwaway vein, and the street of the street o

The early-evening concert, which is said to have earned the re-building fund a cool 2700,000, was given a delayed transmission on BBC2 - so that those of us watching and lis-tening at home had the splendid post-prandial firework display as visual accompaniment to the clos-ing item of the programme, the Fig-arc overture. On May 28 1934, that opera launched activities in the old theatre; if all goes according to plan, it will do the same in the new,

exactly 60 years later. The choice, like most of the others on the gala programme, was cunningly devised to reflect peaks of achievement over the 58-year span of Glyndebourne's existence. Choruses from Idomeneo, Macbeth and The Rake's Progress, the final scenes of Monteverdi's Ulisse and

the current and former Glynde-bourne music directors, Andrew items from Don Giovanni, Il barb-bourne music directors, Andrew items from Don Giovanni, Il barb-iere di Siviglia, Porgy and Bess and Peter Grimes (the other new production of the 1992 season) made up a tapestry skilfully woven out of spe-cially significant and colourful Glyndebourne artistic threads.

It was, as gala concerts go, a decent affair - not exactly scintil-lating (but then galas seldom are), not managing to infuse authentic Glyndebourne magic into the various operatic highlights (except dur-ing Cynthia Haymon's ravishing Gershwin "Summertime"), but unfolded with dignity and tact.

In another way, indeed, it afforded the wider world a truthful glimpse into the heart of the extraordinary Glyndehourne enigma: the enterprise, unsubsidised by state money and wholly dependent on the top end of the paying public, that has preserved consistently - and, increasingly in the modern world, incomparably -

high, serious standards of opera-per-formance. However much glitz and conspicuous consumption there may be on the picnic lawns, in the theatre the rule has been produc-tions long-rehearsed and musically responsible, and above all a telling closeness of contact between sing-

ers, players and audiences.
With the years, and particularly
with the various attempts at enlargement of the 1950s, that intimacy was bought at a price: as Christie puts it in his foreword to the 1992 programme book, with middle age [the theatre] has increasingly looked like Tom Kit-ten. We all have great affection for it, but the waistcoat buttons are fit to burst." In truth it has never been a comfortable theatre either for performers or audiences (who on hot summer evenings have particularly felt the pinch of their too-tight dinner-jackets and trousers while squeezing into narrow rows and

cramped seats). Glyndebourne regu-lars treasure their long list of unforgettable moments in splte of many of the theatre's features rather than

The new house will add 300 seats to the old total of 850 (and make a welcome provision for standing places at the back of the second circle). There will be an enlarged pit, not to enable Glyndebourne to contemplate the orchestrally supersized operas - according to Anthony Whitworth-Jones, festival general director, recent rumours of a Glyndebourne Tristan und Isolde in prospect are without foundation - but to give air to the instrumen-tal sounds and physical relief to the cramped human beings producing them. (When occupied by "period" bands, the front platform of the pit will rise to a suitable height at the

There will also be a much-needed expansion of wing space, and

and lighting facilities, though the last word in state-of-the-art stage machinery has never been considered affordable or, more important, artistically imperative. But the proscenium arch will grow by only a few feet in all directions; for this reason, no existent production is likely to be denied a showing in the new house on grounds of size-suit-

ability alone. Whitworth-Jones insists that it is to be a "bigger house, not a big one. We said to the architects that we must preserve an intimate atmosphere in the auditorium: this was the first and last requirement. The fact of size is not going to alter repertory policy. Of course that's going to develop, but within the context of the policy which we've actually pursued for decades which is basically making up an ensemble-type repertory, not hugevoice-league, star-based opera."

He speaks enticingly of future prospects for Handel (of all the operas and oratorios only Jephtha has previously been mounted, in an appallingly inauthentic edition), for a renewal of the 1950s Rossini rediscovery, for the new opera promised by Harrison Birtwistle for the Glyndebourne Touring Opera's 1994 schedule (to be taken on by the festival proper the following year). Next June, to assuage summer withdrawal pangs, there will be nine Festival Hall concert performances, three each of *The Merry Widow* conducted by the LPO chief, Franz Welser-Möst, *Fidelio* conducted by Klaus Tennstedt, and Beatrice and Benedict conducted by

Andrew Davis.
The 1992 festival, with a flawed but heartfelt and deeply considered new Grimes, an utterly enthralling new Queen of Spades, and distinguished revivals of Cosi, Jenufa and Death in Venice, closed the old theatre in grandest Glyndebourne style. I wondered whether, at the end of it all, Whitworth-Jones wanted to rush out to the demolition teams already in action and shout "Stop, this madness can go no further!" His smile, tired but contented, was the only answer needed.

Architecture/Colin Amery

## A master of the material world

"THE BASIS of engineering is the knowledge of the materials being used: knowledge of what they are made of, how they are made, how they are shaped. how they stand up to stress how they break, how they catch fire, how they react to all the agencies of ruin which are perpetually nibbling at them, how in due course they fall down. This is the true basis of engineering." These words of a famous

engineer, A. J. Harris, were written in a paper called, "Architectural Misconceptions of Engineering". He went on to explain why he thought that engineering was an art and not a science. He might have been writing about the philosophy behind the work of Peter Rice, a very distinguished engineer who has won this year's Royal Gold Medal for Architecture.

It is very unusual but not inappropriate for an engineer to win this premier award of all the great practising engi-neers Peter Rice certainlydeserves it because a great deal of contemporary architecture would not exist without him. There is an opportunity to see his work in London at the moment at an exhibition at the Royal Institute of British Architects at 66, Portland Place, London W1, which is on view during the dog days of summer until August 25.

"Exploring Materials". It is no dull display of technical ephemera, but rather an insight into the creative processes of engineering that lie behind many important new buildings. The Opera House in Sydney, Australia; Lloyd's of London; the De Menil Collection in Houston, Texas; La Vil-lette and La Défense in Paris; the Pavilion of the Future in Seville, Spain, and many more. Each one of these remarkable buildings demonstrates that the process of conceiving a

structure is in itself an art. I think that this is true because the whole process of structural engineering is not simply the product of deductive reasoning but is also the response to an inspiration or an intuition. The question of whether it is the architect or the engineer who is the true artist is more difficult to estile. Did the inspiration for the dra- layman



Sydney Opera House: artistically engineered by Peter Rice

He has called his show matic concrete sails of the Sydney Opera House come from Jorn Utzon, the architect, or from Peter Rice, the engineer? When you look at the daring spans of bridges in the Alps by the Swiss engineer Maillart, or the drama of engineering works by Isambard Kingdom Brunel or Thomas Telford, there is no doubt that they are works of artistic and scientific

But the artistic inspiration is also a manifestation of the engineer's search for truth. By examining materials for their reaction to torsion, compression, tension or bending, man is engaged in the search for truth. There is a diagram that can be drawn that explains the links between art, science and technology in the conception, creation and building of a form. Peter Rice's exhibition, and indeed his life's work, makes this process clear to the

Perhaps engineers do not Time is money, as we are receive the credit they deserve always being told, and that because they are so often seen attitude takes its toll on the as collaborators, rather than quality of both design and creators. This is unfair because building. What the experimenthere is no doubt that engital nature of the work of someneers play a fundamentally creative role in the creation of one like Peter Rice shows is that, in the excitement of analysing new ways of designing structures, he has succeeded in original architecture. The reason for the dim public percepbreaking out of industrial tion of engineering is because there are so many easily visi-ble new buildings that are the monotony. His design efforts at the Sydney Opera House, for result of neither architecture nor engineering - they are the product of the catalogue of the international building indus-try. It is the standardised mediocrity of so many building components that is the bane of the life of any good and innovative engineer or architect. Why else do we look at the Palm House in Kew Gardens or the giories of the roof of London's Paddington Station and

wonder why we seldom do

Speed has a lot to answer for.

things so well today?

instance, have resulted in a building that is as innovative as an early Gothic cathedral. By breaking the moulds of structural predictability Peter Rice is on the path of art. One of the architects that is especially known for his collaborations with Peter Rice is Renzo Piano, the Italian architect. He was responsible, with Rice, for the brilliant design of the De Menil Art Gallery in

Houston which used revolu-

tionary materials - ferro-ce-

ment and ductile iron - in a

revolutionary way. There are two more Plano/ Rice collaborations on the way. The great new airport in Japan, the Kansai International Airport, which looks like a giant bird or aircraft landing on a new artificial island. promises to be one of the great new buildings of the world. In a very different vein, a church dedicated to the stiemats saint Padre Pio in Puglia, in Italy, will be built of stone and will probably be a great domed basilica that can withstand earthquakes. There is a rare opportunity in the RIBA exhibition to see work in progress at a very early stage.

Peter Rice's work demonstrates that engineering, art and architecture form a unity and that contemporary building of any quality demands an understanding of all three activities. He is the enemy of standardisation and on the side of true creation.

London Promenade Concerts

### Cleveland Orchestra

he airborne whooping of horns and trail of trumpets soaring aloft like rockets set this pair of Promenade concerts off to a flying start. There was little substance to Herbert Willi's Concerto for Orchestra, but it served the double purpose of providing a token sample of new music and showing off what a great orchestra can do.

Not that showing off is really part of the Clevelanders' nature. In the parade of American orchestras at the Proms, which has been one of the consistent pleasures of recent years, the Cleveland is unquestionably one of the leaders not glossy like Chicago or Philadelphia, but a workmanlike orchestra, ready to take on the toughest musical material. Even in Ravel's La Vaise, the supremely well-played encore to Saturday's concert, there was far more than just surface glitter.

All this is part of the Cleveland tradition. Long years with George Szell, the orchestra's music director from 1946 to 1970, trained the players rigorously in the demands of the classical repertoire and the present holder of the post,

Christoph von Dohnányi, is ányi kept too sober a grip on able to draw on that deeply ingrained sense of style. Dohnányi himself is in any

case a conductor who knows his chosen music inside out. There were two German symphonies on the Saturday programme, Schumann's Fourth and Beethoven's Fifth, and he has mastered the workings of the nuts and bolts that drive along the symphonic engines of each. In both symphonies the exposition of the argument was remarkable. Every element could be clearly heard and its import weighed, even if the Beethoven was in the last degree too businesslike to become exciting.

again in Berlioz's Symphonie fantastique (the wind could always be heard even when they were playing in unison with the strings). But Dohn-anyi needs to let himself go more. This is a symphony which is about stretching the imagination and assalling the ear with strange and wild sounds. The wailing ciarinet and House-of-Dracula tolling bells in the Witches' Sabbath had the right idea, but in the rest the disciplinarian in Dohn-

The clarity was phenomenal

the music.

There were two solo vocal contributions. On Saturday José van Dam was the baritone soloist in Mahler's Rückert Lie der, ideally placed in a diaphanous orchestral cloak by Dohn-anyi and bringing an effortless gravity of expression to the

five songs. The treat of the two concerts, however, came the night before when Ania Silia joined the orchestra for a razor-sharo performance of Kurt Weill's Seven Deadly Sins. Supported by a fine male quartet, she declaimed Brecht's moral tale of a journey through the evils of capitalism with immense authority and dramatic soprano strength. Unlike some interpreters of this piece, she and Dohnányi never sought to cheapen the music. And that, indeed, could be the watchword of everything that we heard in these two evenings.

Richard Fairman

Cleveland Orchestra's appearance sponsored by the Ameritarh Foundation and the Ohlo Bell Foundation.

#### Theatre

## The Elephant

in Hampstead, the young Wave Theatre Company have inaugurated what they hope will be a continuing series of modern Japanese plays in translation. Their first choice is Betsuyaku Minoru's The Elephant, a piece written 30 years ago about people who survived the Hiroshima blast, only to succumb long afterward to radiation sickness. Most of it is set in a hospital, which makes the little theatre in the New End Hospital a specially suitable

On the face of it, the English version by David G. Goodman sounds plausible enough - but the manners of the play remain desperately obscure. Perhaps the English is too plausible, for the cast treat their roles as familiar British types: Jonathan Coyne plays the dying uncle, the "Invalid", like a broad Jewish comic, and one bizarre scene of casual murder comes out of undergraduate revue. It becomes impossible to guess which of Minoru's fancies are intended to be surrealist, and which other puzzles are the results of severe cultural dislocation. Nothing in the play seems to

explain its title - unless the elephant" is the uncle himself, weirdly proud of the "keloid" on his back, a cara-pace of scar tissue. The dialogue is full of sub-lonesco repetitions: is that a device, or just Japanese naturalism? The theme of The Elephant is

plain enough, a confrontation between the indomitable (and indomitably foolish) Invalid and his nephew "Man" (Alex Harland), who prefers to suffer quietly and passively. Until the last haif-hour or so, at least:

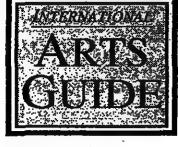
then, an endlessly recycled screaming-match between them becomes actively unpleasant. Tim Keenan's production looks smooth enough, and the young actors playing older roles do their best; but this is a case of East meeting West with a dull thud.

**David Murray** 

Correction

Shades

The caption under the photograph accompanying the review of Shades at the Albery Theatre in Saturday's Financial Times Wrongly described the boy as Matthew Steer. It was Ben Chapman. The two boys are alternating in the part. We apologise.



**FESTIVALS** 

#### AIX-EN-PROVENCE

The final week of the festival offers a last chance to see Robert Carsen's production of Britten's A Midsummer Night's Dream (tonight), The Rake's Progress with Samuel Ramey, Dawn Upshaw and Tatlana Troyanos (tomorrow and Thurs), and Don Jordan (Wed and Fri). Dawn Upshaw gives tonight's song recital, followed tomorrow by Andreas Schmidt, Tonight's other attraction is Havdn's Creation in the Cathedrale Saint-Sauveur. Ends July 31. (16) 4217 3434.

#### ■ AVIGNON

Pier Paolo Pasolini's Calderon, adapted for the stage by Jean-Paul Manganaro and directed by Jean-Louis Martinelli. runs until Fri at the Salle Benoît XII. A new play on a Mexican

theme by Georges Lavaudant. is showing daily at Les Taillades. Alain Maratrat's Zarzuela show, premiered at this year's Vienna Festival, can be seen at the Cour Hotel Dieu daily till Fri. There are also late evening programmes of Mexican dance at the Clothre des Celestins. Enda Aug 3. (90) 862443.

#### BAYREUTH There are no new productions

this year. This week sees the completion of the first of three Ring cycles (tonight, Wed and Fri). Daniel Barenboim conducts Harry Kupfer's 1988 production, with Deborah Polaski as Brunnhilde in the first cycle, followed by Anne Evans in the remaining two. Other major roles are sung by John Tomlinson, Nadine Secunde, Gunter von Kannen, Graham Clark and Siegfried Jerusalem. Danish tenor Poul Elming, who sings Siegmund in The Ring, takes over the title role in Parsifal for most of this year's performances, opening on Sun. Bernd Welki sings the title role in Dieter Dorn's cool, intellectual 1990 production of Der fliegende Hollander on Sat and next Tues. Wolfgang Wagner's 1985 Tannhauser production, conducted by Donald Runnicles, can be seen next Mon. Ends Aug 28, (921) 20221.

#### BREGENZ

This summer's show on the floating stage is a revival of Jerome Savary's production of

#### Carmen, with casts including Saily Burgess in the title role The final week of this year's

and Edmund Barham as Jose (tomorrow, Wed, Fri and Sat). In the Festsplethaus, Vladimir Fedosseyev conducts Harry Kupfer's new production of La Damnation de Faust, with David Kuebler in the title role (Thurs

and Sun).
Tonight's Vienna Symphony Orchestra concert, featuring works by Bruckner and Zemlinsky, is conducted by Ulf Schirmer. Ends Aug 23. (5574)

#### **LA ROOUE D'ANTHERON**

La Roque d'Antheron, 50km from Avignon and Marsellies, is the attractive setting for an annual plane festival, which opens on Saturday with an orchestral concert in the Parc du Chateau eaturing Nelson Freire with the Orchestre National de Lyon conducted by Emmanuel Krivine. Francois-Rene Duchable is soloist in Sunday's concert by the French Youth Orchestra under Marek Janowski. Zoltan Kocsis gives a piano recital on Monday. Next week's other recitalists are Rafael Orozco, Joaquim Achucarro and Chick Corea. Krystian Zimerman is soloist with the Orchestre Philharmonique de Montpellier on Aug 7. The programme continues daily till Aug 23. (Festival de Piano, Chateau de Florans, 13640 La Roque d'Antheron. Tel 16-4250 5115).

#### ■ MONTPELLIER

Radio France festival includes a concert performance tonight of Alberto Franchetti's 1892 grand opera Cristoforo Colombo with Paolo Cont in the title role; a concert by the French Youth Orchestra tomorrow featuring Anna Tomowa-Sintow as soloist In Wagner's Wesendonck Lieder: an Orchestre de Paris concert on Wed featuring Rakhmaninov's Second Piano Concerto and Scriabin's Second Symphony (conducted by Jerzy Semkov); and a performance of Franz Schmidt's Fourth Symphony on Thurs, conducted by Heinz Wallberg. (67) 616681.

# PESARO Pesaro, birthplace of Rossini, lays on a suitably generous spread for this year's bicentenary, Il barbiere di Siviglia opens the festival on Fri (also Aug 2, 5, 8), followed on Sat by Semiramide, conducted by Alberto Zedda (also Aug 4, 7, 10). La scala di seta opens next Mon (also Aug 5, 7, 9), and Claudio Abbado returns to conduct Luca Ronconi's all-star production of II viaggio a Relms on Aug 16 and 18. Next week Riccardo Chailly conducts two performances of the rarely-heard Cantate per i Borboni. Ends Aug 18. (721) 33184.

#### ■ SALZBURG

The first full week of this year's festival has daily performances

#### in the Felsenreitschule of Peter Stein's production of Shakespeare's Julius Caesar, plus Stanislav Wyspianski's play

The Wedding directed by Andrze Wajda in the Landestheater. in the Kleines Festspleihaus, Riccardo Muti conducts Ursel and Karl-Ernst Herrmann's new Tito, with Ben Heppner in the title role (tonight, Wed and Sat). Claudio Abbado conducts a new production of Janacek's From the House of the Dead, opening on Thurs in the Grosses Festspielhaus. There are song recitals by Dmitri Hvorostovsky tomorrow in the Mozarteum, by Felicity Lott in the Mozarteum on Sun and by Jessye Norman in the Grosses Festspielhaus, also on Sun. This week's orchestral concerts in the Grosses Festspielhaus are conducted by Christoph von Dohnanyl (tonight, Wed and Frl). Nikolaus Harnoncourt (tomorrow). and Simon Rattle (Sat). Next

#### ■ SCHLESWIG HOLSTEIN

(662) 846682.

The King's Singers can be heard tonight in Wotersen and on Fri in Rellingen. Evgeny Kissin gives a piano recital tomorrow in Elmshorn. Simon Rattle brings the CBSO to Kiel tomorrow and Hamburg on Wed. Weekend recitalists include Peter Schreier at Helde and Kiel. Next week: Schreier and Prey repeat their

week: Solti conducts Die Frau

ohne Schatten. Ends Aug 30.

programmes in other parts of the region, plus concerts by Jessye Norman and the Stockholm Sinfonietta, Enda Aug 23. (431) 567080.

#### **■ TANGLEWOOD**

The Boston Symphony Orchestra's summer home hosts concerts every weekend throughout the summer, with occasional weekday events. John Browning plays Prokoflev's Third Piano Concerto In Friday's concert conducted by Leonard Slatkin. Seiji Ozawa conducts Saturday's programme of Druckman, Bach and Tchalkovsky, and Yo Yo Ma is soloist in Dvorak's Cello Concerto on Sunday, conducted by David Zinman. Next week's artists include Charles Dutoit, Kathleen Battle and Thomas Hampson. Ends Sep 1. Ticketmaster Boston (617) 931 2000 New York City (212) 307 7171.

#### **■ VERONA**

This year's operas at the Arena are Don Carlo, Aida, La boheme and Nabucco. Cecilia Gasdia sings Mimi in this week's performances of the Puccini (tomorrow and Sat), alongside Neil Shicoff's Rodolfo. Monica Pick-Hieronimi sings the title role in Aida (Wed, Fri and Sun), and Don Carlo on Thurs is conducted by Gustav Kuhn, Nabucco, with a cast led by Piero Cappuccilli and Linda Roark-Strummer, opens on Aug 7. Lorin Maazel conducts Porgy and Bess on Aug 24. Ends Aug 30. (45) 590109.

#### European Cable and Satellite Business TV

(all times CET)

2000-2030, 2300-2330 World Busi-ness Today - a joint FT/CNN pro-duction with Grant Perry and Colin Chapman

Super Channel 0830-0900 (Mon) FT East Europe Report — weekly indepth analysis Irom FTTV 2130-2200 (Tues) Media Europe what's new in European media builings
2130-2200 (Wed) FT Business
Weekly - global business report
with James Bellini
0830-0800 (Thurs) Media Europe
2130-2200 (Thurs) FT Eastern Europe Report 0830-0900 (Fri) FT Business

Sky News 0130-0200 (Mon), 2130-2200 (Thurs), 0530-0600 (Fri) FT Business Weekly

SATURDAY 0900-0930 World Business This Week - a Joint FT/CNN production 1900-1930 World Susiness This

Super Channel 1930-2000 FT Eastern Europe

ELINDAY CNN 1030-1100, 1800-1830 World Busi-

Super Channel 1800-1830 FT Business Weekly

Sky News 1330-1400, 2030-2100 FT Business

#### **FINANCIAL TIMES**

Number One Southwark Bridge, London SEI 9HL Tel: 071-873 3000 Telex: 922186 Fax: 071-407 5700

Monday July 27 1992

## Dealing with Mr Saddam

THE SIGHS of relief in western capitals last night, after Iraq had climbed down in the crisis with inspections, were almost audible. After Baghdad's agreement to UN demands that a team of inspectors be allowed in to its agriculture ministry, the immediate threat of punitive military action by the US and its allies appears to have receded. But the west has won at best a symbolic victory; and Baghdad's behaviour means that the danger of renewed military action has by no means disappeared.

The latest bout of brinkmanship between President Saddam Hussein and the UN underlines once again the challenge the Iraqi leader poses to international order by his flouting of the security council resolutions which pro-vided for a ceasefire in the Gulf war last year. Unless he follows yesterday's agreement with a clear indication that he is prepared to respect the will of the international community on a broader front, it must be only a matter of time before another confrontation similar to that of the past few days arises.

if and when that confrontation comes, western governments will again have to think carefully about their objectives, it became clear during the stand-off in the past week that purely punitive action would have brought at best highly uncertain benefits and would have entailed considerable

Broader objectives

What can be achieved militarily in this respect has long since been done, and as Mr Rolf Ekeus, the UN official in charge of inspection programmes, has admitted, whatever documents or other material were being stored in the agriculture ministry will almost certainly have been moved elsewhere. Western government have thus found themselves inevitably focusing on

broader political objectives. Indeed, as the confrontation over the inspection team intensi-fied. Mr James Baker was careful to draw attention to Mr Saddam's other acts of deflance towards the UN: notably his continued attacks on the Shia population in the UN relief workers in Kurdistan, unity is to get rid of him and to

Arabs have some sympathy for Mr Saddam's efforts to build up Iraq's military strength, arguing that at least similar attention should be paid to Israel's nuclear arsenal. there is little admiration even within the Arab world for his treatment of the Iraqi population, or for his invasion of another Arab state. Whatever happens next, it is vitally important to the whole world that the proliferation of weapons of mass destruction should be halted, in Iraq as elsewhere, and that UN resolutions should not be violated with impu-

Aggressive actions

The latter point is more important than ever at a moment when the international community is striving to convince the Serbian leadership of the risks it runs by continuing its aggressive, if not genocidal, actions against the Moslems of Bosnia. Those who violate the terms of a ceasefire expose themselves to a resumption of hostilities, and cannot escape the responsibility for it. But Mr Saddam's responsibili-

ties go even further than that, and the impossibility of achieving peace and stability in Iraq and its surrounding region while he remains in power has been amply demonstrated. Therefore if renewed military action by external powers should eventually be necessary in Iraq, it should have the clear purpose of protecting Iraqis against his brutality, and assisting those who are brave enough to resist him.

It has already been shown that allied air power can preserve a "safe haven" for the Kurds in the north, simply by threatening punitive strikes against any military forces that Mr Saddam sends into the area. There is a similar need to protect the Shia refugees who are still holding out, against ever increasing military pressure, in the marshes of the south.

If more of Iraq's territory were to be placed off limits to Mr Saddam's repressive forces, the west might be seen as promoting not Kurdish separatism but security and freedom for Iraq as a whole and the forces still supporting Mr Saddam might realise that their and his renewed claims to seek agreement with his oppo Kuwait's territory. Whereas many nents in both north and south

## Controlling EC mergers

BY CHALLENGING Nestle's recent takeover of Perrier on the grounds that it would result in a duopoly of the French mineral water market, the European Commission has significantly broadened the scope of EC merger policy in a way that will potentially affect a wide range of industries. Brussels argues that the consumer interest is served by strengthening controls to cover deals that would create duopolies as well as those which give just one company a dominant position. However, the methods it has used to assert this principle, and its application in the specific Nestlé-Perrier case, raise serious concerns.

Sir Leon Brittan, the competition commissioner, says he is merely fleshing out the 22-monthold EC merger regulation by bringing it into line with the practices of national merger authorities, notably in Germany and the UK. He has also indicated his intention to apply the new principle pragmatically. The creation of a duopoly would not, as in Germany, automatically give rise to a presumption that a merger should be prohibited. Instead, Brussels would in each case base its judgment on the likely impact on future competition.

This was broadly the approach

adopted in the Nestlé-Perrier merger. However, the Commission's methodology and judgment appear curiously inconsistent. For instance, it cites the relatively low prices of mineral water in France as the reason why there is little competition from "parallel" imports there. Yet the thrust of the Brussels objections was that the merger could result in higher prices, which would be likely to encourage such imports.

Limp slap

Brussels also says the high marketing costs of developing new brands inhibit market entry. However, its remedies require Nestlé to dispose only of some minor brands and unexploited springs. Finally, Nestlé and BSN of France have been left controlling together about three-quarters of current French mineral water sales. After all Brussels' strictures about duopoly power, this outcome seems a limp slap on the wrist.

But the most serious issue is not whether Brussels is applying its those objectives.

new-found duopoly criteria too leniently, but whether it has the authority to invoke them at all. The merger regulation speaks only of controlling "concentrations" which create or strengther a dominant position. Sir Leon insists this wording covers duopolies. However, many independent lawyers disagree. They argue that if the authors of the regulation had intended it to be used in this way they would have said so explicitly - as is the case with German competition law. In the circumstances, it is particularly unsatisfactory that the Commission should assert the duopoly principle by introducing it without warning into a pending merger case. Nestlé is justified in complaining that Brussels has unitaterally moved the goalposts while a

Unpredictable manner

game is in progress.

At the very least, this turn of events threatens to create heightened business uncertainties. Because the new approach to duopolies has not been spelled out as a general principle, but has grown out of one specific case, prospective acquirers in the EC cannot be sure how it will apply to them. Furthermore, the Commis sion's conduct on this occasion raises the unsettling possibility that it will use future cases in an equally unpredictable manner to establish other precedents which expand its power.

The situation demands urgent clarification by the European Court of Justice. However, no party to a merger is likely to seek such clarification unless the deal has been blocked by the Commission. So the only way to guarantee an early test of the new policy may be for an EC member government to exercise its prerogative to

appeal to the Court. Ideally, the Commission itself should request a speedy Court review of its interpretation of the regulation. Indeed, it is in Brussels' own interest to do so. For merger control to command confidence, it must operate within a framework that ensures that it is fair, consistent and accountable. Any suspicion that Brussels is intent on enlarging its power by taking controversial policy decisions on the hoof undermines

ritain's manufacturius industry may be lean, fit is getting leaner by the week. After two deep recessions in little more than a decade, the UK's export industries may be too small to sustain anything more than sluggish recovery.

The government's anti-inflation medicine is certainly hurting. The recession started in the service sector, but, as it has lingered, the damage to industry has grown more severe. Manufacturing output has fallen by 7.8 per cent since the recession began, a fall three times deeper than that in service sector output. In the past fortnight, two more machine tool companies the Beaver group and Matrix Chur-

chill - have gone into receivership. Yet the cries of pain from Britain's manufacturers have been surprisingly muted. The latest eco nomic forecast from the Engineering Employers Federation paints a gloomy picture of falling employment and sluggish growth over the next 12 months. But most industrialists support the government's low inflation strategy and want to stay in the exchange rate mechanism.

Mr Neil Johnson, the federation's

new director-general, is typical. A "short-term quick fix" would be counter-productive, however attrac-tive. "It is vital for 'UK plc' that we nain in the ERM at the current level and get as close to the heart of the European market as possible."

Why are manufacturers so confident that they can endure the pain? Many believe that in the 1980s the efficiency and competitiveness of British manufacturing industry was transformed. Productivity grew by an average 5 per cent a year, com-pared with just 0.9 per cent between 1975 and 1980. Only Japan, among the main industrialised countries, had a superior productivity growth record. Profitability was higher than at any time since the mid-1960s; and Britain became a magnet for foreign investment.

Even the performance of the export sector has improved since 1981, relative to that in previous decades. The share of UK manufac turing in total world exports stabilised after 1982, albeit at a sharply reduced level in comparison with the early 1970s. Mr Bill Martin, economist at UBS Phillips and Drew, finds that the responsiveness of UK export volumes to changes in world trade was greater than at any time after 1955.

"British industry achieved considerable success under the industrial policies governments pursued in the 1980s," argues Mr Walter Eltis, director-general of the National Economic Development Office and soon to be chief economic adviser to Mr Michael Heseltine, the trade and industry secretary. Falling capital investment must impede the rejuvenation of British industrial competitiveness. But for optimists such as Mr Eltis, it is a price worth paying for low and stable inflation.

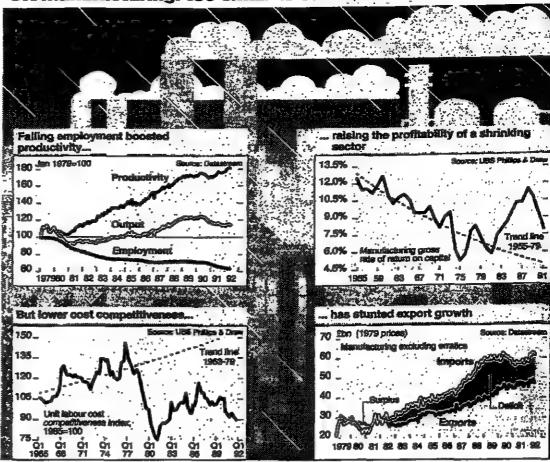
"ERM membership together with a reduction in UK inflation to the best levels achieved in Europe will create the underlying economic environment for a sustained and durable period of expansion," he There are dissenting voices. Mr

Martin Taylor, managing director of Bridgeport, one of the UK's largest machine tool companies, fears that the recession and the accompanying collapse in investment are doing "irrevocable and irretrievable" damage. "If you do not invest, you do not compete...You cannot stop investing for three years and then expect to be competitive when the recovery comes."

Edward Balls asks whether the UK's manufacturing sector is strong enough to respond to economic recovery

## Too lean for a long life

UK manufacturing: too small to succeed



Mr Taylor wants more than just ministerial stroking from the new management at the Department of Trade and Industry. A package of investment incentives to help recovery would be better. But even Mr Taylor refuses to join the growing sterling devaluation.

Yet how sound are the achieve ments of the 1980s? Is manufactur ing industry in a state to lead a sustained upturn when consumer pending picks up?

Productivity growth was rapid. But the bulk of the gain in output per head was achieved by shedding jobs rather than increasing output and investment. Manufacturing employment has fallen by a third since 1979, while the real value of manufacturing output only recovered to 1979 levels in 1987. The share of manufacturing output, relative to gross domestic product, has shrunk from 28.2 per cent in 1979 to 22.4 per cent in 1991.

Most of this loss in output occurred during the last recession when a sterling appreciation, encouraged by North Sea oil output and high interest rates, reduced export competitiveness of manufac-turing by 50 per cent in four years. Despite some gains in the 1980s, exports remain much less cost-competitive than in the 1960s or 1970s.

A harder look at the international comparisons shows that the UK still lags on measures other than cost competitiveness. While UK productivity was catching up with its competitors, it started a long way behind. German manufacturing productivity was 151 per cent of British levels in 1979. Even in 1990, it was still 19 per cent higher.

ore worryingly, UK productivity gains were dissipated wages. The 1980s were an excellent decade for living standards for the great majority of those associated with industry, whether they were workers, managers or shareholders." says Mr Eltis. But the British paid themselves so well that it was not profitable enough to invest in the UK in sufficient quantities to arrest the shrinkage of the manufacturing sector.

Real wages in UK manufacturing

grew at an annual rate of 26 per cent in the 1980s, outstripping real wage growth in all the UK's five largest industrialised competitors. A recent NEDC study of the UK engineering industry finds that the share of value-added output paid to employees in 1989 was still higher than in Germany, France, Italy or Japan, though not the US.

Not surprisingly, the rate of return on capital remained lower than in any of these five countries. in spite of the partial recovery in UK profits. Business investment also grew more slowly in Britain.

Britain's manufacturing industry, provider of just over 80 per cent of UK export earnings, consequently remained too small to support its itizens' appetite for imports. The manufacturing trade deficit increased during the decade as the growth of import volumes outstrip-ped experts. While the 1980-81 recession produced a current account surplus of 5 per cent of GDP, after eight quarters of recession the current account is in deficit by nearly 2 per cent of GDP. The shrunken manufacturing sec-

tor and the existence of a trade deficit, at the bottom of the recession, suggest that the UK economy may experience difficulties when the recovery finally arrives. "A consumer-led expansion without manufac-turing investment would generate imports without the means to pay for them," argues Mr Ian Thompson, economic adviser at the EEF.

Unless those imports are predominantly capital goods, the foreign exchange markets may become nervous at a growing deficit and demand higher interest rates to compensate for the devaluation risk. The size of the manufacturing sector will be a constraint on the pace of the recovery through the balance of payments, he says.

Implicitly, Mr Thompson is arguing that sterling is overvalued within the ERM: UK real wages relative to other countries are too high to make it profitable for enough companies to sell produce in Britain

at the current exchange rate.
Is sterling overvalued? The simple answer is that nobody knows. Most of the standard tests of exchange rate overvaluation confuse, rather than enlighten, the debate. Model simulations of the exchange rate needed to maintain a sustainable pattern of capital inflows point towards overvaluation. But the recent forecasting record of macro-economists does not inspire confidence in their models.

Purchasing power parity exchange rate measures add little value. The PPP method estimates an exchange rate at which traded goods prices would be equivalent in different countries. On this basis, sterling is correctly valued against other European countries, but over-valued against the US dollar.

et currencies often diverge for years from these notional PPP rates, which tend to bear little relation to trade perfor-Calculations by Goldman mance. Sachs, the US investment bank, suggest that the only time the dollar was correctly valued in the last 15 years was in 1984-85, when it was at the peak of a speculative bubble, and the trade deficit was growing. Nor does the fact that industrial

ists are not complaining about the value of sterling add much of interest. The only reason they are still producing is that they are profitable at that exchange rate. They might complain about changes in the rate, but not the level itself. The businesses that might be producing at a lower real exchange rate have gone. Overvaluation does not imply

that existing manufacturers are on the verge of bankruptcy, but that they are too thin on the ground. The shrunken size of the manufacturing sector, the unusual phenome non of a substantial trade deficit at the bottom of a recession, the high level of UK long-term interest rates and the reliance on short-term capital inflows to fund the deficit, all these suggest overvaluation.

The feeble performance of the export sector during the recession also suggests that British companies have found it difficult to shift production to foreign markets as domestic demand has fallen. There have been exceptions: annual car export volumes rose by 183 per cent between 1988 and 1991. But cars make up less than 5 per cent of total exports. Overall, the UK export performance has been disarpointing, particularly in comparison with Japan, where companies have responded to sluggish domestic demand growth by boosting exports. Japanese export volumes grew 5 per cent in 1991 compared with 6.4 per cent in the US and 0.7 per cent in the UK.

Whether a sterling devaluation would reduce UK real wages or simply generate higher inflation to offset the gains in cost competitiveness is another matter. But until recovery comes, economists can only guess how long foreign exchange markets will tolerate a large UK current account deficit. As Mr Thompson explains: "Ultimately the only way you can measure it is to see whether the export canacity grows to meet the import demand that the recovery brings." When, that is, recovery finally arrives.

45 ---

#### Samuel Brittan

## Spending: a new try



five pounds spent in the UK come from central and local government. Sixteen years ago the proportion was £5 out of every £10. You do not have to be a rugged opponent of all collective spending to

realise that the present proportion is high enough, or to realise how easily we could drift back to the proportions of the mid-1970s, or even higher. You only have to listen to the large number of claims by pressure groups uncritically reported on BBC Radio 4 and Radio 3 every morning saying that this or that worthy cause needs to have much more spent

There is no uniquely right method of controlling the public purse. Since the Plowden committee reported in the early 1960s, there have been periodic shake-ups in the system. As spending departments have become adept at working one control system to their advantage, the Treasury has devised new systems which they may not immediately be able to exploit. Thus, most of the reforms are welcome; but there is no point in going over the top and disparaging the previous system whenever a new one is introduced.

Just as predictably, the popular media become excited by talks of "cuts", when there have been no overall cuts since the Labour government negotiated with the IMF in the mid-1970s. The so-called cuts are simply reductions in planned rates of increase. If there are cuts in specific programmes - such as unpledged social security benefits it will be to make room for larger increases elsewhere, eg in bealth

Ever since Plowden, public spending plans have been based on the opposite errors of cutting dole the control system.

Two out of every rolling forward looks. The problems arise in translating these projections into hard plans for the year immediately ahead. In recent years, the cabinet has tended to take the tentative cash total in the projection for the year immediately ahead and ask ministers to stick as close to it as possible. Bids for up to £14bn more have been made in most years, as a matter of political virility, and the Treasury has usually managed to cut down these excess

> with the aid of a group of senior ministers called the Star Chamber. Public spending will always be a compromise between a top-down and bottom-up approach. The new

> > PUBLIC SPENDING

bids by about two-thirds, sometimes

Control Total (% increases) 1994-95 1995-96 34

190P definite

system announced by the British chancellor, Norman Lamont, on Thursday is a round in favour of top-down. The cabinet will agree every year on a firm ceiling; and the bargaining between the Trea-sury and departments will be about the allocation of an agreed total. The Star Chamber will be put to sleep - until it is reformed in a new guise - and the allocation will be made earlier in the year than the customary autumn by a committee headed by the chancellor.

A more detailed change is that unemployment-related social security benefits will be removed from the Control Total (up to now known as the Planning Total) which will then cover about 85 per cent of General Government Expenditure. This move seems sensible to help avoid

payments in a slump and using recession as an excuse to give an upward ratchet to public spending. There is a further and more vul-

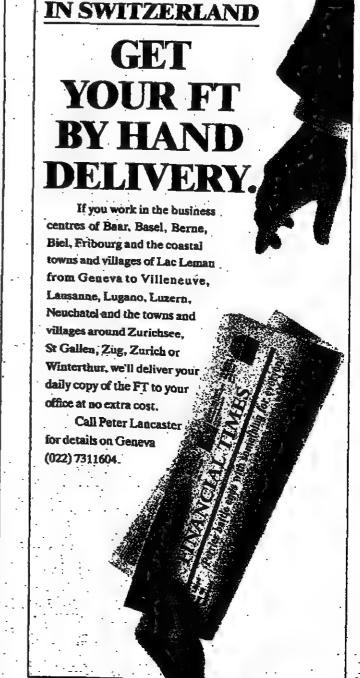
nerable element in the new approach, which is to take more seriously the second and third years of the projections. Indeed, suppos-edly firm decisions have been announced for three years ahead; but we do not know exactly what they are, as the definitions of the new Control Total are still being negotiated in Whitehall

The adjoining table gives, however, the picture as seen in terms of percentage increases. The idea is that, with a trend rate of growth of GDP at 2 to 3 per cent per annum, the trend growth of public expenditure must be less. The aim is an average 1% per cent annual rise in the Control Total. Adding in other elements. General Government Expenditure is expected to rise by an average of 2 per cent.

But within the overall aim, the specific profile still looks like the hump backed bridge characteristic of spending plans. There is a more generous real increase in 1993-94, the first year of the new system. owing to a drop in the Treasury's inflation projection. The reduction in planned increases are in the two

subsequent years. Clearly, the chancellor will not be able to stick to both his real and his nominal spending projections unless he has miraculous good luck in predicting inflation. Paced with a conflict between the two, there has been a shift of emphasis towards real terms for the medium term, while using the cash total as a short-term wespon

of control. Whether all this will actually reduce the growth of spending in the medium term depends on political and economic pressure groups and the firmness of ministers, rather than on the technicalities of



## Windows thrown open in a suffocating room

The Israeli government is winning friends in the US and the Arab world with its peace and settlements initiatives, says **Hugh Carnegy** 

s Israel's new government moves into its third week in office tomorrow, its supportlong Mr Yitzhak Rabin's remarkable honeymoon as prime minister can last. The weekend's ebb and flow of tension between Iraq and the UN illustrates how conflict can all too easily supersede talk of peace in the Middle East.

Nevertheless, the transfor-mation since Mr Rabin took over has been impressive. Only a few weeks ago, under Mr Yitzhak Shamir, the previous prime minister, the country seemed to scowl at the rest of the world, stubbornly refusing to loosen its grip on the occupied Arab territories. At log-gerheads with the US, its greatest ally and financial prop, Israel excited little sympathy even from its friends.

Mr Rabin's arrival at the head of coalition led by the Labour party has changed all that remarkably quickly. Within days of the government's installation, Mr James Baker, the US secretary of state, was in Jerusalem, conferring amiably with Mr Rabin and Mr Shimon Peres, his foreign minister, and publicly praising their commitment to

Middle East peace talks. In particular, Mr Baker wel-comed their willingness to curb Jewish settlements in the occupied territories, the issue which, more than any other, had soured relations between Washington and Mr Shamir. The juicy reward of \$10bn in US loan guarantees to aid absorption of mass immigration from the former Soviet Union - sought in vain by Mr Shamir - now seems assured.

The day after Mr Baker was

in town, Mr Rahin was warmly welcomed in Cairo by President Hosni Mubarak, an honour the Egyptian leader never extended to Mr Shamir, And in a week or two, the prime min-ister is off to the US to see President Bush at his Kennebunkport holiday home. Chummy tennis games (Mr Rabin is a keen player) and-boat rides are likely to be the public image of the meeting — unthinkable in the days when Mr Bush and Mr Shamir spoke

through clanched teeth The change has largely been ed by Israelia: all the mainstream newspapers are backing Mr Rabin's initiatives. The opposition — especially Mr Shamir's battered Likud party - is still reeling from Labour's June election victory. Many government supporters bubble over with enthusiasm, now that the long years of battling with what seemed the Likud'a eternal supremacy are over.

"I must tell you Fm so happy



has made it clear repeatedly since winning the election that

he believes that I ratel now has

an opportunity to achieve

that it must be selved.

seace with its neighbours and

He sees the disappearance of

and the military subjugation of

Iraq by the US and its allies as a priceless windfall for Israel.

At the same time, however,

hostility to Israel is still latent

in the region and a new threat

lies in the nuclear and other.

the area of making peace,

something which could help us

get international participation, led by the US, in a war against

nuclear arms proliferation."

Mr Rabin therefore wasted

no time in seiting out his store:

settlements have been substan-

tially frozen and the Palestin-

ians and Arab states invited to

engage in continuous negotia-

tions based on an ultimate

sceptical of

**OBSERVER** 

states such as

"I believe this

Mr Rabin said

about what is happening," confided a woman in a Jerusalem record store on discovering her customer was a foreign corre-

"There is a great feeling of relief," said Mr Gideon Rafael, a former director-general of the foreign ministry. "It is as though we were a people suffo-cating in a closed room when suddenly someone threw open

It is not just that people are pleased at the restoration of diplomatic cordialities. Many advanced weapons capability of those who backed Labour that may be accumulated by and Meretz, its left-liberal ally The Arabs remain

in government, were afraid that sceptical of situation will the Likud's Mr Rabin, auguring not exist for ever. Sither we exhibit it or we difficulty when the exploit it or we might miss it." to permanent Israeli rule over

the occupied shortly after territories was leading towards. the election. Later he said: "A East peace negotiations begun last October in Madrid. They feared that, ultimately, such a stance would precipitate another war between Israel and its Arab neighbours. "I believe we saved the coun-

try at the last minute," said Mr Traly Reshef, a leading figure in the Peace Now movement. Mr Rabin has not put it in such specalyptic terms. But he

commitment by Israel to exchange occupied "land for peace" - the formula Mr Shamir always rejected. But the prime minister is

canny enough to know that the smooth ride he has so far enjoyed may give way to rougher terrain. The honeymoon at home is unlikely to

So far, the government has been pleasantly surprised by the lack of effective protests from the heavily armed Jewish settlers. But they still have the capacity to cause noisy and perhaps violent disruption through demonstrations both against the government and their Palestinian neighbours.

The Likud, too, will surely regroup. Mr Shamir is set to resign as party leader. An election for a successor will be held in December in which the front-runners will be he sy-amin Begin, son of the late Menachem Begin, Likud's great founding hero, and Mr Binyamin Netanyahu, the energetic former junior

Both profess deep commit-ment to the Likud ideology and will seek to rally opposition to what they regard as Mr Rabin's disastrous willingness to make concessions to the Arabs. Some newspaper com-mentators have already begun to voice anxieties that the government's moves on settlements have met only a cool reception in the region, failing, for example, to elicit any commitment to end the Arab boy-cott of trade with Israel in return, as the US has proposed.

The Arabs remain sceptical of Mr Rabin, auguring difficulty when the peace talks resume, probably next mouth. They are unhappy that, despite his commitment to giving up territory, Mr Rabin has said that it will not happen before Israelis have had another chance to vote on the question.

Under the structure of the peace talks as they were peace talks as they were launched in Madrid, perma-nently giving up land will not be at issue until after an interim settlement with the Palestinians of the West Bank and Gaza has run for three years. Therefore, Mr Rabin says, it is almost certain another general election will be held in Israel before any status of the territories.

What Mr Rabin and bls allies in Israel are hoping, however is that an interim agreement with the Palestinians can be negotiated which will prove sufficiently successful to per-suade Israelis that a reversion to the Likud's expansionist ideology would be untenable. leaving Labour in the driving seat for many years to come.

#### LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL
Pax 071 873 5938. Letters transmitted should be clearly typed and not hand written. Please set fax for finest resolution

#### Means exist to maintain discipline in the City

From Mr Christopher Sharples. Sir, Those who are calling for an alternative to massively expensive and in the final analysis often futile court cases concerning alleged wrong-doing in London's Square Mile should not overlook the potential of the existing disciplinary powers available under the Financial Services Act.

Regulatory bodies such as the Securities and Futures Authority (SFA) are empowered to carry out disciplinary actions against firms and/or individuals. Penalties that can be imposed on those found to be in breach of its rules include very substantial fines, compensation to clients, restrictions on individuals' activities in the future, the closing down of firms, and the prohibition of individuals from returning to the industry either for a period or perhaps for ever.

The process used by SFA to decide on the culpability of an alleged offender is fair yet expeditious. Its tribunals are chaired by eminent lawyers with assistance from practitio-ners and independent members of SFA's board and others. Legal argument, and hence costs, are kept to a manageable level and there is no charge to the taxpayer as the cost of the process is met by those regulated. The level of proof is much less onerous than in a criminal trial and the standard by which the defendant is udged owes as much to the spirit of the intention of the rules as to the detail of the rules themselves. The overrid-ing requirement of behaviour in accordance with best market practice and the placing of client interests first are examples

of the key principles involved. Custodial sentences can certainly be justified in cases where there has been outright fraud or theft of client assets, but when the alleged offences are more akin to breaches of City codes of conduct, then the use of criminal prosecutions through the courts is inappropriate. Far better to use the alternative that is already available and has already proved itself, but whose pro-cess is blocked once criminal proceedings are begun.

The Securities and Futures Authority, The Stock Exchange Building, Old Broad Street,

#### London EC2 1EQ Commitment to information

centre needed From Mr M Riley.
Sir, I find it confusing, to say

the least, that with the extensive publicity surrounding the UK presidency of the Council of Ministers of the European Community, the future of the Centre for European Business Information in London should still be a matter of debate and discussion. Surely it would be embar-

rassing that such a centre, part

of a network of more than 200

European information centres operated in partnership with the European Commission throughout the Community and one of only a small num ber funded directly by a gov-ernment agency in the EC. should be threatened with clo sure at such a time, with the single market close at hand. Perhaps continued financial support for such organisations would better convince people of the government's commitment to the development of closer business links between UK companies and their counterparts in the rest of the Community, than press statements and glossy leaflets by the For-eign and Commonwealth Office or the Department of Trade and Industry. Martyn Riley, 8 Queen Elizabeth Square.

Sir. John Plender's excellent article ("Uncertainty in a stable world", July 22) regarding strains in the housing market referred to Greenwell Montagu's strong view that the gov-ernment's "full funding" rule, whereby the PSBR is fully off-

From Mr P A Amery.

Sir, On July 21 the Bank of England raised Ecu50m in an extra cost to the taxpayer of 0.4 per cent per annum, at a time of great concern about the time of great concern about the public sector deficit? Perhaps the Bank of England is planning an upwards revaluation of sterling, which is the only sce-nario under which this funding method makes sense?

(Exchequer 10% per cent July 21 1995) was yielding 9.64 per cent on an annual basis. Might I ask why the UK monetary authorities see fit to fund in a foreign currency, at

three-year Treasury notes at a yield of 10.04 per cent. At close

of business on that day the benchmark three-year gilt

## Sterling revaluation suggested by Bank's choice of funding

P A Amery, Flat B, 53 St Paul's Road. London N1 2LT

#### MMC must find solution to gas pipeline returns

From Mr Ian Powe. Sir, Your report "British Gas to separate top jobs" (July 23) quotes the chief executive (designate) as not ruling out a referral to the Monopolies and Mergers Commission if no agreement is reached about rate of return on pipeline

From the customers' point of view, a referral is overdue. Only the MMC can adjudicate between recent conflicting judgments by OFT, Ofgas and government.

The effect on an integrated industry of these piecemeal decisions, and of British Gas's meek acceptance of all of them, is likely to be higher gas prices for industry, commerce and households. The two main reasons are these:

 British Gas accepted Ofgas's setting of a tough value of X, in the (RPI - X) domestic price cap formula, on a basis of planned cost-saving pro-grammes and of earnings from a large market share. That share has been sharply reduced by OFT edict, in the industrial market, and by a government decision to lower the volume threshold of household supply monopoly. The case for price cap review, in British Gas's favour and against the consumer interest is worryingly strong while

British Gas also faces addi-

line and storage unit. About 50 per cent of gas sales to industry are by interruptible contract. It is popular with customers, because it is cheap, and it is valuable but not essential to British Gas as a means of meeting peak domestic demand. But it is of no present interest to competitors; British Gas cannot sub-stantially reduce its share of the industrial market except by putting up the price of interruptible gas. Paradoxically, the govern-

ment's headlong rush to introduce competition is accompanied by risk of higher prices. Sir James McKinnon, director-general of Ofgas, cannot allow a high rate of return if, in consequence, British Gas's marketing arm faces extra costs for carrying gas along the pipe-lines of the separate transportation unit, created by OFT, which it will be entitled to pass on to consumers. The MMC must look at the apparently different objectives of the three regulatory players to find a solution that is in the public interest. Ian Powe,

Gas Consumers Council, Bih Floor, Abford House, 15 Wilton Road

#### Press for pensions accounts

From Mr Clive Nathan Sir, Having read the letters in your journal concerning the failures of the professionals involved in the pensions industry, together with the many suggestions for solutions, per-haps I could offer yet another. Government reviews take a long time and during this period of delay little will change unless members of existing pensions funds take

up the initiative.
The "wealth" of some peasion funds is often more than the value of the company that has appointed the trustees, who are often the owners in control both of the company and their employees' future .

All companies with a pen-sion fund should volunteer to make available an audited copy of their pension fund accounts. Any company that does not should be pressed by the pension scheme members to provide this information to which they are entitled by existing law. Perhaps if this programme gathered momentum those concerned would suffer less.

Clive Nathan. Postfach 1611. D-W-8990 Lindau (B),

#### Right project for taxpayers

From Mr Sam Briddes. Sir, Your leader on the Jubilee Line extension ("Transport in Docklands", July 22) is timely. With current spending restrictions, the question is whether the taxpayer should commit any money at all to building a tube extension that few people actually require.

The Central London Rail Study recommended "East/ West Crossrail" as a first priority to meet present needs. If the taxpayer is to spend megamoney on railways, Crossrail should be the chosen project. Sam Briddes, London NWQ1 6EX

### Borrowing and money supply

From Mr Peter Spencer. Sir, Mr Anthony Harris ("A new twist to ease the slump" July 20) suggests that under funding the public sector borrowing requirement would cause a large rise in the M4 monetary aggregate and goes on to describe this as an "arith-

metic certainty". We have surely learned that there is no such thing as a mathematical certainty, at least when it comes to the economy. But economic theory for what it is worth, states that the impact upon M4 would be precisely zero: in an open economy such as the UK within a credible fixed exchange rate system such as the ERM the money stock is determined by public demand and cannot be influenced by funding or other

financial devices Actually, M4 might rise if exchange or interest rates fell. stimulating economic growth and the demand for money. But there is little if any scope for such reductions at the moment. Changes in gilt issuance would in this situation be offset largely in external capital flows, most obviously over-seas purchases of gilts. Peter Spencer, Kleinwort Benson Securities.

20 Fenchurch Street, London EC3P 3DP From Mr Mike Higgins.

set by net sales of gilts outside the banking and building socirequirement ety sectors, should be amended in the current economic climate. It seems to us odd, to say the least, that under this rule the effect of the PSBR on the money supply is more or less exactly neutralised whether the economy is in boom or

Surely it would be better to overfund in economic boom times and underfund at times of recession like now. Underfunding would have several beneficial effects.

 Broad money supply growth would be pushed up by approximately the amount of underfunding.

 Yields on long-dated gilt stocks would fall as the supply of new stock became smaller. ■ The investing institutions would have more money to invest in other assets such as equities and property, giving a much needed boost to the price levels of those markets

Mr Plender is not correct, however, in concluding that underfunding would lead to higher short-term interest rates. He presumably comes to this conclusion by arguing that, if the government sells fewer gilts and more Treasury bills, this would push Treasury bill rates higher. In practice, the government decides the overall level of money interest rates and the effect of small or large bill issues is almost negli-

gible.
This is probably most easily explained by considering the effect on the banking system of, say, £10bn underfunding. This would increase bank deposits (ie, money supply) by £10bn and would be available to buy £10bn of Treasury bills or short-dated gilts. There is thus no significant imbalance to put pressure on interest rates one way or the other. It is difficult to see why the government has not already

embraced the idea of under-

funding when virtually all other options of stimulating the economy are closed by ERM constraints. It is possible to argue about the extent of the beneficial effects set out above, but I have heard no one argue that the effect would not be in the right directon. Mike Higgins,

Greenwell Montagu Gilt-Edged, 10 Lower Thames Street, London EC3R 6AE

#### Disputing an age-old fallacy

From Dr Harry A Shearring. Sir, Sir Sigmund Sternberg (Letters, July 15) belongs to an enlightened minority. Unfortunately, many UK employers have yet to recognise that, in Sir Sigmund's words, "age need not be a barrier to success". Instead, they operate "too old at X policies" being almost any random number over 22.

There is research evidence supporting the "too old at" paradigm, just as there is research evidence that the earth is flat and that this planet is the centre of the universe. But the evidence is flawed. In fact, older adults can be as successful as their juniors, and they can be iust as creative.

Some of the evidence is set out in my recent article, "Creativity and older adults" (Leadership and Organization Development Journal 13/2). There are a few caveats, but the general position is that, if he wants to be, the 90-year-old can be as mentally alert as the 19year-old, provided he has resisted flat-earthers' efforts to brain-shrink him into behaving in the self-restricting and selfdegrading ways which match their negative paradigm. Harry A Shearring,

Imodi Douglas, Isle of Man

#### Great minds whatalike? ■ Readers will no doubt know the old Forces saying: "Once

is happenstance, twice is econcidence, and three times is enemy action." While that's fine as far as it goes, however what on earth is 607 times? The question is raised by the response to the problem Observer posed last Tuesday about why the small cowboy was grateful when, instead of handing him the glass of water he'd requested, the giant bartender drew a gun and fired into the air.

It was tackled by 654 people from 23 countries besides the UK, including a man from El Paso claiming to be the small cowboy in the case - a claim which, since he's evidently 5'10" tall and has the scarcely western name of Keith Pannell is being taken with a pinch alt.

Further occupations ranged from an ambassador and an archdeacon, through an avalanche of chief and other executives as well as their spouses and offspring, to the secretary general of the international Federation of Tiddly Winks Associations (no

hidding). The oddest thing was that, although several of the 654. pointed out that such lateral thinking problems can have many different answers, no fewer than 607 all hit on the same one. It's that, until the gunshot served as shock-therapy, the small

cowboy had been suffering from hiccoughs, And as the other suggestions, albeit ingenious, seem less plausible, the prize of a bottle of malt goes to the first of the 607 out of the hat: Stephen Allen of Britannia Airways.

But that still left Observer

wondering how more than nine

identical solution — until the latish arrival of an entry from a certain Paul Sloane. Yet another opting for hiccoughs as the answer, he adds: "It appears in my book Lateral Tainking Puralers published in 1991 by Sterling in the US and by Cassell in the UK." Great minds think alike, my

On the ball ■ The Association of Management Education and Development (Southern region) has been canvassing its members on possible topics for future meetings. Amongst its suggestions - a session on astrology in individual development....

Arresting case ■ Howard Davies, the CBPs high profile new director general, has an intriguing explanation for the bizarre affair of Alison Halford and her inability to win promotion in the Merseyside police force. Davies, a former boss of the Audit Commission, blames a manpower control system operated by the Home Office under which police forces can bid each year for the right to employ additional officers. Every year some new constables are allocated There is no provision in the system for police numbers to fall, ever", says Davies, in a column in last Priday's

Evening Standard.

As a result of this system there are now almost twice as many policemen per thousand inhabitants in declining Merseyside as in Cambridgeshire, where the population is growing. Merseyside is the most intensely policed area in the country. "No wonder they have to find exotic ways of passing in every 10 entrants hit on an the time", says Davies.



"Look on the bright side tabloid newspaper sales have gone up"

Indeed, he calculates that if present trends continue there will be only policemen left in Merseyside 60 years from now and if they do not recruit any women the force

Union block Still on the subject of

women's career prospects (or lack of them), one wonders how much longer Britain's elderly trade unions can march out of step with the new look Labour party. On the same day last week

that Labour elected a record number of women to its front-bench team — it leads the Government five to two on this score - Diana Warwick resigned as general secretary of the Association of University Teachers. Not so long ago there were four female trade union bosses. Now there is only one ~ Elizabeth Symons of the Association of First Division Civil Servants. Sogat's Brenda Dean and

Helen McGrath of the National

Union of Hosiery and Knitwear

Workers, both lost their jobs

as a result of meigers with other unions and 47-year-old Warwick is off to run the . Westwinster Foundation for Democracy. Interestingly, it sounds like Unison, which will be Britain's biggest union and Europe's largest public service union, will be run by men even though two-thirds of its executive committee will probably be women.

Austracised Australia's simmering republicans are sharpening their claws. They have discovered that acetate commonly found in nail

varnish remover - can be used to remove the Queen's portrait from the plastic five dollar note issued earlier this month. Some are replacing the portrait with slogans such "Caroline Chisholm Rules!". a reference to the 19th century pioneer whose portrait appeared on an earlier design. Leaders of the Australian

Republican Movement seem unsure how to react. Author Thomas Keneally is carefully sitting on the fence; he understands why activists are defacing the notes, but wouldn't do it himself, he says Ironically, Chisholm was an Englishwoman who spent

only a few years in Australia

before returning to England

where she is buried.

For love alone ■ The sing has been put back into Singapore with the lifting of its official ban on buskers, but they had better refrain

from numbers like "Buddy can you spare a dime?" All they can earn from street entertainment is "psychic income", says National Arts Council chairman Tommy Koh. Any cash coming their way must be given to charity.

#### Rail privatisation so complex, performance will not be improved

From Mr David Sawers.
Sir, Sir Bob Reid was understandably non-committal about the government's proposals for the reorganisation of British Rail (Personal View: "A challenge to us all", July 17). But the proposals must represent the most extraordinary gamble that a government has taken with the organisation of transport in Britain: an untried division of financial responsibility and operation is to be combined with an untried form of ownership, and the decision to adopt this structure has been taken before an analysis of its feasibility has been undertaken. Now the white paper has been published, consul-

Maidstone, Kent

problems of allocating paths on the railway tracks to competing services and of charging for the use of the track. If there were no practicable solutions to these problems, government policy would be unworkable.

Ministers appear to have picked on franchising as a means of getting private sector involvement in running the railways without surrendering ownership - because they could not agree how the railways should be sold. They do not seem to have understood that a franchise requires a long-term commitment, because entrepreneurs want some security for their efforts:

tants are to start studying the so franchising is not a prelimi-

to the dustbin.

nary to privatisation but an alternative. They will have to make up their minds which

The results of this gamble will not become clear for several years, until the work that should have preceded the white paper has been completed and until the demand for franchises has been established. Uncertainty about the feasibility of the white paper policies implies that radical changes in policies may have to be made; the white paper may be yet another consigned

The tragedy of the govern-ment's policies is that an

Rail wholly into the private sector has been lost; and BR's management will be devoting most of its efforts to making a complex new organisation work, rather than to improving the performance of the railways. The traveller is liable to lose on the deal, and there is some danger that the taxpaver will also lose, because the government may have to buy the subsidies. David Sawyers, "Crosby". 10 Seaview Avenue.

Anomerina-on-Sea.



## FINANCIAL TIMES

Monday July 27 1992



Prime minister promises electoral reform after low turnout by voters

## Japan's ruling LDP tightens hold on power

JAPAN'S ruling Liberal Democratic Party tightened its hold on power yesterday by win-ning more than half of the 127 seats contested in an Upper House election conspicuous for a record low voter turnout.

Mr Kiichi Miyazawa, the prime minister, surprised by a voter turnout estimated at 48 per cent, well below the previous low of 57 per cent, promised to introduce electoral reforms to increase confidence in the political system.

Meanwhile, Mr Makoto Tanabe, leader of the Social Democratic Party (SDPJ), the leading opposition party, was under pressure to resign because of the party's poor showing. The trade union-backed Rengo, an ally of the SDPJ, appears to not have won even

Early today, the LDP had won at least 69 of the 127 seats contested in the half-house election. four more than its official target. and enough for Mr Mivazawa to interpret the outcome as a vote of

confidence in his leadership. The SDPJ appeared to have collected about 22 seats, while the New Japan Party, a new centrist party that hopes to usurp the SDPJ as the main opposition

could play a significant role in a general election due in 1994.

Opposition parties had viewed LDP legislation to allow the dispatch of military personnel on United Nations peacekeeping operations, but most Japanese voters were unimpressed by the

opposition's campaign.

Japan's economic slowdown worked in favour of the ruling party, as opposition parties, focusing on the peacekeeping leg-islation, did not offer an alternative economic policy. Mr Miya-zawa had called an emergency Cabinet meeting on Friday to discuss the ailing stock market and to reinforce his party's economic credentials.

The LDP, which controls the more powerful Lower House, will majority in the Upper House, but is now in a strong position to regain control at the next halfhouse election in 1995.



## UK chancellor defends low inflation policy for recovery

Mr Lamont admitted the reces-

justify "alarmist" talk of a 1930s-

people were impatient for some

improvement, he insisted that

the government's anti-inflation strategy was a pre-condition for

sustained recovery. "It is the

only policy that can be pursued.

It will bring recovery and, most important of all, within this decade we will be in an excellent

position against the best econo-

Tebbit the former Conservative

Lloyd's poised for new chairman

On the same programme, Lord

The task force advocated the

modification of the principle of unlimited liability - by which Names are liable for all insur-

ance losses - and the introduc-

tion of corporate capital to

Lloyd's. Task force recommenda-tions that the regulation of

Lloyd's be separated from day to

day governance were echoed in

the conclusions of a second com-

mittee, headed by Sir Jeremy Morse, Lloyds bank chairman,

Mr Shaw said yesterday that it

was "fundamental" to have a

new leadership team in place "as quickly as possible". He warned

that Lloyd's dissidents would

Japan discount rate cut expected

The US and Japan will begin a

two-day review tomorrow of a

pact signed in 1990 to remove "structural impediments" to

bilateral trade, and US represen-

tatives are certain to ask Tokyo

At an emergency cabinet mee

ing on Friday night, Mr Kiichi Miyazawa, the prime minister,

reaffirmed that a supplementary

budget would be decided by mid-

to stimulate the economy.

earlier this month.

mies in Europe," he said.

MR NORMAN LAMONT, the UK chancellor of the exchequer, yes terday hardened his defence of the government's tough economic strategy in the face of renewed calls for other approaches to remedying the country's economic woes.

In an interview with BBC Radio 4, Mr Lamont said the pursuit of low inflation was the only policy that would bring lasting economic recovery and improve Britain's competitiveness. He also again ruled out devalu-

ation of sterling within the European exchange rate mechanism. His comments came on the eve of more bad news for the UK economy. Tomorrow the Confederation of British Industry's quarterly industrial trends survey will show there was a sharp drop in business confidence during the past month and that manufacturing companies do not expect their orders to increase over the next

This week will also see figures

The changeover will be wel-

comed by many at Lloyd's. Leading agencies and brokers as well

as the Association of Lloyd's

Members, a moderate group indi-viduals whose assets support the

insurance market's capital, are

all likely backers.
At today's EGM Mr Nell Shaw,

newly elected ALM chairman,

will speak in favour of a motion,

backed by the ALM, which urges

the council to press ahead with

implementation of the reforms

recommended in January by a

market task force headed by Mr

end March 1993. That target now

appears out of reach, and private

institutions are generally fore-

casting growth of little more than

surge in Japan's trade surplus,

which was a record \$49bn (£25bn)

for the first half and is still ris-

The slowdown has led to a

Continued from Page 1

2 per cent for the year.

Weather

Continued from Page 1

lenders repossessed more than Euro-sceptic, accused the chan-30,000 homes in the first six cellor of surrendering economic months of the year, a small drop control to Germany. from the record 38,000 repos

"At the moment the Germai sessed in the previous six economy needs high interest rates. I suspect that the British months. Over the weekend, several mortgage lenders again economy needs rather lower warned that they might have to interest rates and we have locked raise rates, even if base rates stay unchanged, to make up for bad ourselves into a position where the Chancellor has no discretion debts and heavy losses from at all," Lord Tebbit said.

The main opposition Labour party accused the chancellor of sion had lasted longer than he had expected but said this did not "breathtaking and arrogant complacency". Mr Gordon Brown, the new opposition chancellor said: "He is now misleading us in say-Although he understood why ing there are no alternative policies to follow."

Mr John Townend, chairman of the Conservative backbench MPs finance committee, noted that Mr Lamont was still "more optimistic than many people".

Treasury defends reputation,

The week ahead, Page 8 Manufacturing sector waits for recovery, Page 12 Samuel Brittan, Page 12

send the wrong signals to Lloyd's bankers and policyholders if they win motions which the dissidents

have tabled at the EGM. Names

would trigger "meltdown" if they

voted to overturn a levy needed

to boost the market's central fund, he added. The fund,

recently boosted from £500m to

£1bn, pays claims when Names,

the individuals whose assets pro-

vide the market's capital are

unable to meet their obligations.

mitted by the dissidents who

called for the EGM last month.

But voting will be by postal bal-

lot, with the result not known

September, but that the finance

ministry has yet to approve pro-

posals by the ruling Liberal Dem-

ocratic Party for an outlay of

Y5,000bn to Y8,000bn (£21bn-

At the meeting, ministers

showed their frustration with the

weak stock market by suggesting

that Japanese insurance companies increase their stock pur-

chases to stimulate demand.

until the end of next month.

The proposal is one of four sub-

#### **Progress** in North American trade talks

TRADE ministers from the US. Canada and Mexico yesterday concluded their talks in Mexico City aimed at broning out their remaining differences over the North American free trade agreement without announcing any major breakthrough.

After a weekend of negotiations, the ministers said progress had been very positive. They would meet again this week to build on the momentum achieved over the last two days.

Mrs Carla Hills, the US trade representalve, suggested the negotiations would draw to an end soon: "You can't stay at top of the ninth innings for ever," she said, referring to an analogy President George Bush had drawn earlier.
But Mrs Hills added that a

number of key texts — including those on cars, textiles, financial services and investment - had not been completed. Mr Michael Wilson, Canada's trade minister, said his country had difficulties with the rule of origin proposed by Mexico and the US in the textile sector, but would try to obtain relief with tariffs. The talks are reported to have

advanced a number of substantive issues, with progress made negotiating texts on agriculture. government procurement, foreign investment and energy. The agriculture text was almost finished, said a senior Mexican offi-

Under US trade law a completed text can be presented to the US Congress 90 days after it has been initialled by the trade ministers. If President Bush intends to send Congress the agreement a few days before the November 3 presidential elections the deadline for negotiations is the beginning of

August.
The Mexicans and Canadians would also like to conclude an agreement as soon as possible. The Mexican stock market is down 18 per cent from June 1, in part because of fears a free trade agreement will not be signed, while the Canadian government faces elections next year and would like to put Nafta negotiations behind it as soon as possi-

This was the ministers' sixth formal meeting since negotiations started 13 months ago.

#### THE LEX COLUMN

## The fear of failure

In the trough of the last recession, according to the corporate analysts Syspas, 23 per cent of UK-quoted industrial companies were at risk of failure. The figure now is 26 per cent. Among construction companies, it is an unnerving 65 per cent. If the economy does not pick up materially in the next two years, Syspas says, the resulting failures will cost the banks up to 21.8bn in bad loans and creditors another £2bn on top. Since Syspas privately described

Maxwell Communication as "beyond saving in its present form" at a time when the equity market still valued it at over £1bn, it perhaps deserves to be taken seriously. Its method is based on the familiar US technique of Z-scores, which establishes common characteristics for bankrupt companies and seeks to identify them elsewhere.

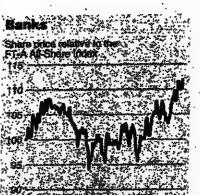
The system produced dire predictions about Lowndes Queensway. Tur-riff, Graham Wood and Astra, all of which have since gone under. Syspas claims to have scented the present recession as early as the start of 1989, on the grounds that balance sheets had started to deteriorate despite the fact that profits were still rising.

Since then, the number of compa-nies at risk has increased faster than in the recession of 1980-81. The rise continues, which suggests the econ-omy is still getting worse.

For the equity market, there is per-haps one ray of comfort in all this. Experience suggests that companies with poor Z-scores - that is, at high risk of failure - underperform the market in an economic decline and outperform in a recovery. It should therefore follow that the worse mess the corporate sector is in, the greater scope there is for a market bounce.

This may help to explain why the construction sector should be on a seemingly ludicrous historic multiple of 42, three times the industrial average. But the pressing question is not how sharp the bounce will be. It is rather how far the market falls before it turns; and which companies will still be around by then.

Bid battles aside, the recent history of the UK clearing banks has been dominated by disappointment about the scale of domestic had debt provisions. There is unlikely to be much relief when the banks start reporting interim results. Barclays, thanks to its relatively low rate of provisioning in the past and its well-publicised prob-



lems with Heron, Mountleigh and Olympia & York, is likely to report a sharp increase in provisions compared with the £639m set aside in last year's second half. Abbey National's provi-sions are also likely to rise, while the absence of economic recovery means other banks will show only modest

falls at best. So much for the recovery hopes with which investors consoled themselves after last year's poor results. The longer term trend in provisions is difficult to predict. By and large,the market's record has been one of excessive optimism. To be sure, there are one or two hopeful signs on the horizon, not least a slight fall in administrative receiverships. BZW calculates that cumulative provisions at the four largest clearers now average 3.1 per cent of loans outstanding, a ratio which has more than tripled over the past five years. It might thus be legitimate to ask whether provisions need to continus at such a high level

Unfortunately, the overwhelming impression is that they easily could. The stock market hardly reflects a picture of glowing corporate health. There is no sign of interest rates com-ing down and the property market remains depressed. For the year as a whole, there is scant reason why interest rates should fall much, if at all, and the chances are that any decline in 1993 will only be gradual.

The outcome may, of course, vary from bank to bank, Midland's loan book grew more slowly in the late-1980s than those of its three main competitors and its provisions rose faster may have dealt with the problem earlier. Lloyds has the offsetting benefit of a large surplus in its developing country debt provisions, while National Westminster will at least beable to show a sharp drop in provisions on its US busines

The more general consolation is that the slow growth in lending will prevent any threat to capital ratios. That said, only lacklustre growth can be expected in operating income, from which the provisions have to be financed. Not only have retail fees and charges been raised just about as far as the market will bear, there is also increasing competitive pressure in the hitherto lucrative life insurance market. Net interest income is being squeezed on the one side by a rise in the volume of non-performing loans and on the other by the higher cost of retail deposits. That leaves a redoubled effort on cost control as the hanks' main hope for earnings growth.

With tensions mounting over iraq. Friday might have seemed an odd day for the gold price to go into reverse after its recent run. But finding a plau-sible rationalisation for gyrations in the price of the barbaric metal is increasingly difficult.

The mini-boom since early summe was supposed, in part, to have been inspired by the weakness of the dollar and a consequent increase in gold's safe haven attractions. Yet the safe haven theory derived little support from gold's muted suphoria during the Gulf crisis. Nor should it have, given the success of the financial services industry in devising less cumbersoms hedges against uncertainty.

Recently, gold is said to have

derived strength from the weakness of global equities. Yet sagging equity prices reflect worries about debt defia

The opportunity cost of holding non-income producing asset in a period of high real interest rates is high; and where, as in Britain, infla-tion is falling faster, than interest rates, the opportunity cost becomes higher by the day.

If there is a case for real assets in the current climate, it is easier to make for income-producing real estate. In the bombed-out UK property market, the average yield on all properties at 9.3 per cent shows a positive half-point margin over long gilts.

The snag in looking at property as a residual value attaching to land at the and of the 25-year institutional lease. In the absence of land price inflation. the comparison with gilts may prove

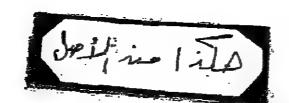
## Without us, the Olympics would look dull on TV.

An estimated world audience of 3.5 billion people will be glued to their TV sets to watch this year's key sporting event - the Barcelon Olympics. Thanks to innovations by Bundy a TI Group company, some of them will have a much superior view.

The sharpness of a TV image depends on the efficiency of the inner shield round the colour picture tube. Bundy Belgium is no supplying TV set manufacturers with an ultra-thin, low carbon, cold rolled steel strip which has been given an innovative hell treatment. The resulting inner shield has superior magnetic protection, so ensuring brighter colours and sharper definition Without Bundy, the games in Spain could look very plain.

TI Group
We get the critical answers right

#### The SDPJ's Mr Tanabe admitted that the party has "defects". However, he said that, rather than resign, he should "take responsibility for overcoming these defects Peace, prosperity and



Europe's Leading Debt Collection and Credit Management Group

Tel. Marketing Dept. +31 20 671 11 16 INKASSO FOR EUROPE

**FINANCIAL TIMES** 

## COMPANIES & MARKETS

**GTHE FINANCIAL TIMES LIMITED 1992** 

Monday July 27 1992

## PEARCE

CONSTRUCTION MANAGEMENT

071-235 5424

#### INSIDE

THE RESERVED TO STATE OF THE PARTY OF THE PA

Production of the Control of the Con

사 : 1호 사는 1호

5. 12. 13. 14. 15. 15.

#### Bibby wins a war of nerves in Spain

On paper the takeover by J Bibby & Sons, the UK industrial and agricultural group, of Finanzauto, Spain's leading supplier of earthmoving equipment, looked like a pushover purchase But Bibby faced a more nerve-wracking and costiler battle than had been originally envisored. aged even though Finanzauto, with consolidated profits 68 per cent lower tast year, appeared ripe for a friendly takeover. Page 16

Fun goes out of Ecu bond party It was a great party while it lasted. European governments and investment bankers loved the market for Ecu bonds, until recently one of the quickest-growing financial markets around. At the end of last week, though, the market all but selzed up. Today, bankers will try to kick-start it again — though the prospects over the coming months do not look good. Page 19

Gilts cool to new regime

The new UK regime for public spending — which seeks to impose tough disciplines with a view to reining back increases in the public sector borrowing requirement — was last week introduced not in parliament but in offthe record briefings to journalists. The gilt market — to which the question of future rises. In public spending is crucial — was not greatly excited by the changes. Page 18

#### Three-way tug-of-war looms

The stage is set for a complex summer tug-of-war in the US credit markets between political opinion polls, currency markets and economic statistics. The three forces were neatly on display last week as central banks intervened in the currency markets to support the alling dollar; as Mr Alan Greenspan, the Federal Reserve chairman, gave his twice-yearly Humphrey Hawkins testimony to Congress; and as Mr Bill Clinton, the Democratic Presidential candidate, continued his surge in the polls. Page 18

Canada develops taste for funds Canada's 10 provinces have a hearty appetite for funds and investors seem eager to satisfy It. The provinces and their utilities, such as Ontario Hydro and Hydro-Quebec, have tapped the domestic and international bond markets for about C\$24bn (\$20bn) so far this year. Lastweek alone British Columbia, Alberta, New Brunswick and Nova Scotia raised more than

C\$1.5bn in Canadian and US dollar-denomi-nated bonds. Page 18

#### Market Statistics

World stock mkt indices

#### Companies in this issue

**Aer Lingue** Asarco Bibby (J) : Black Arrow Deutsche Aerospace

economy in the world.

So, what are the assump-

tions? China's potential growth

productivity. The sum of these

two ought also to represent its.

Mr Enzio von Pfell, econo-

mist at Smith New Court in

Hong Kong, expects the work-

force to grow by about 3 per

cent and productivity by about

For the US he estimated 1.7

per cent for civilian labour

force growth and 1.5 per cent for productivity to give a potential growth rate for the

US of more than 3 per cent.

On the basis of these

both the US and Chinese econ-

omies reaches US\$10,000bn in

2015; during 2016 China over-

China's economy is overheat-

ing. It seems set to ride the

boom phase of the "boom-bust"

cycle that has been a hallmark

of the Chinese economy since

Beijing embarked on market-

oriented economic reform in

gross domestic product (GDP)

was 10.6 per cent higher than

in the first half of 1991. Indus-

trial production, on the same

basis, was up 18.2 per cent, and

consumer spending was 14 per

cent higher over the same

China's nation-wide inflation

rate in June was 5 per cent.

But that national figure dis-

guises inflationary pressures

where they matter most - in

period.

In the first half of this year

Now back to the real world.

12 per cent.

takes America.

non-inflationary growth path.

16 MTM 16 MTM
17 Magnetic Materials
18 Neorion Shipyarde
18 Nestlé
18 Singapore Airlines
18 TT Group
18 US Sprint
15 WPP **GPA Group** 

The price compares with Fri-day's close of 826p and was con-sidered a narrow discount given the size of the issue and the recent difficult market condi-

The sale was completed in spite

tuning, the trust will sell 270m which "will be of great benefit to shares. The sale will raise £2.1bn medical research".

When the trust first announced its plan to reduce its stake in Wellcome from 73.5 per cent to Although the trust had bids for 360m shares it decided to cut back the sale to ensure a success-

cent of the company's equity. Trading in the shares will start at 8.30 this morning. Robert Fleming, the merchant bank

co-ordinating the sale, has allocated an extra 40m shares under the "green-shoe" option. It can stabilise the share price by buying up to 40m shares until August 26 if the price falls below 800p. If it buys back less than 40m shares the sale will, in effect,

ing allocations to investors who put in tenders for the shares. UK favoured and about 60 per cent of the shares will go to them. US investors will receive about 23 per cent, although they made 25 per cent of the bids. Japanese investors will take about 5 per cent with the rest divided between other regions and the UK public offer.

Individual bidders were scaled back according to a number of criteria. Those who put in bids early were rewarded, and a slight advantage was given to bidders

Dautsche Aerospace

Employees: 56,485

Subsidiary of Dalmier-Benz, Operations include

Deutsche Airbus which will assemble the A321 in

Germany; makes segments of other Airbus models.

MTU unit makes aero engines in partnership with Pratt & Whitney. MBB airframe unit, acquired in 1989,

is a partner in Eurocopter project with Aerospatiale. Domier unit builds small passenger aircraft.

Fokker

Tumover: DM12,4bn (\$8.3bn)

Tumover: FI 13.8bn (\$8.2bn)

Pre-tax profits: Pt 194m

Employees: 12,880

F100 twin-jet; subcontract work includes Airbus 300 and

310 and F-16 military jets and guided weapon systems auch as Patriot and Stinger missiles. Needs partner to achieve ambition of building larger regional jets

Balled out by Dutch government after heavy losses in

1987. Aircraft include Fokker 50 twin-turboprop and

By Maggle Urry in London

WPP, the UK marketing services group which is asking shareholders to approve a \$1bn refinanc-ing at a special meeting on August 5, will this week write to its investors telling them that if the proposals are not passed there will be little alternative but to appoint a receiver.

Receivership would leave nothing for shareholders, and would force banks to write off a propor-

tion of their loans.

A receiver has been lined up and has been working on a plan which would involve selling the assets and undertakings of WPP to a new company, wholly owned by the banks. This would leave shareholders with a stake in a

If WPP's reconstruction failed there could be widespread implications for other companies in trouble. A director of Samuel Montagu, the group's merchant bank, said that if WPP went into receivership after bankers had spent eight months working on a refinancing, "banks will not bother to work on reconstructions in future. They will put in

He was optimistic, however, that the shareholders would pass the special resolutions to be put to them at the meeting. He said the deal was a better one for shareholders than investors in other troubled companies had

The resolutions need to be approved by 75 per cent of those voting in each class of share. Investors will be urged to com-

ence shares, giving it 10 per cent of that class. Fidelity has told plans to vote against the resolu-

since final terms of the refinancing were fixed on July 1, when ers was sweetened, and Fidelity They know that the regional first announced its intention to start of the month, the

that reason. Others believe Fidelity is trying to force a further improvement in the terms.

## Wellcome to sell 270m shares at 800p

#### By Maggle Urry

WELLCOME Trust last night set an 800p price for the sale of shares in Wellcome, the drug company, bringing to a success-ful canclusion the biggest nonprivatisation share sale ever

Depending on lest-minute fine-

(\$4bn) after paying £75m to the banks and brokers who organised the global sale.

of the poor state of equity markets in the UK, US and Japan during the period of the offer and the possibility of hostilities breaking out in the Gulf again as the offer was closing on Friday.

Mr Roger Gibbs, chairman of the trust, said the sale would increase the medical charity's annual income to around £220m

less than 50 per cent, the shares stood at £11.26. The trust considered cutting its stake to 25 per cent through the sale of 417m shares. In June it indicated the offer would be of 330m shares.

shares it will still hold 42 per

have been increased. ful aftermarket. If it sells 270m

Last night Pleming was finalis-

Daniel Green and Ronald van de Krol on implications for Europe's regional aircraft business of the agreement to transfer Fokker into German hands

## Deal signals moves to fly in formation

run by an ex-convict in The Hague, the Dutch capital, had a busy night last Thurs-day. It fed the nocturnal appe-tites of three men debating a Fl lbn (\$596m) deal in the foreign

ministry next door. Their eventual agreement, secured on Friday morning after 30 hours of talks, opened the way for the transfer of one of the Netherlands' flagship companies into German hands. It could also trigger a consolidation of the regional aircraft industry, which makes short-range aircraft, most of them for the domestic US mar-

Officially, the talks were a three-way affair between Fokker, the Dutch sircraft maker, Deutsche Aerospace (Dasa) of Ger-many, and the Dutch govern-ment, whose 32 per cent stake in Fokker gave it a veto on any deal

to sell the company.
In reality, they pitted the Dutch government against Mr Jürgen Schrempp and Mr Erik Desa and Fokker.

Across a table on the ninth floor of the foreign ministry building in The Hague, the two men pressed Mr Koos Andriessen, the Dutch economic affairs minister, to agree to Dasa taking a 51 per cent stake in Fokker. Mr Andriessen wanted guarantees that Fokker would not become a screwdriver plant run from Dasa's Munich headquarters.

Mr Andriessen eventually, and grudgingly, agreed on a timetable

HE Freedom Snack bar, for the Dutch government to surrender its influence on the new Dasa-Fokker holding company. The industrialists were delighted. In the words of Mr Nederkoorn: "Fokker will become the Airbus of the regional aircraft market in which other companies will par-

> important details - even the price - have yet to be agreed. "Price did not play a role in the negotiations," said Mr Andriessen. The talks were about the structure of Europe's aerospace industry and the role to be played by Fokker. There are also regulatory

obstacles still to overcome, and delays are still possible from the Dutch parliament or European Commission competition watch-dogs. But there is little doubt that the regional aircraft market is ripe for an Airbus-style group-ing, in which many manufactur-ers contribute to a single range of aircraft.

The industry is dogged by overcapacity, with nine different than 100 aircraft each into the huge US market. That overcanacity has led many manufacturers into financial difficulties. Companies such as British Aerospace, Aerospatiale of France and Sweden's Saab have been forced to consider partnerships to survive.

Fokker had more to worry about than many. It has already been rescued by the Dutch government, in 1987, and its successful Fokker 100 aircraft needs heavy capital investment for 70-

#### Deutsche Aerospace takes control of Fokker





seater and 130-seater versions to company's disparate activities. be developed. And, if successful, Regioliner

In the forefront of partnership moves across the industry is Dasa, just three years old and owned by Germany's biggest industrial group, Deimler Renz. it was established as an umfirella for the country's fragmented aerospace industry and has since entered into a series of international alliances for helicopters, satellites and aero-engines.

Last November, Dasa formed sortium with Aerospatiale and Alenia of Italy. Fokker believes that the French and Italians will take stakes in the new Dasa-Fokker company and that the Fokker 100 will form the core of the consortium's model range. The arrival of Fokker in the

Dasa camp brings one step closer the creation of a genuine giant in

Regioliner is dominated by Dasa and could provide the sought-for focus for the German

could face only dishevelled and dispirited rivals struggling to find partners. BAe, which last month relaunched its loss-mak-ing regional aircraft, said yesterday it was "still pursuing talks leading to a joint venture or a merger, not necessarily in

BAe may be hoping that the Dasa-Fokker deal hits trouble. This happened in 1969 when Fokof Dasa. The partnership was dis-solved in 1978 amid recriminations over the flop of a new 44seater aeroplane, the VFW 614. Nor is opposition dead within

the Netherlands. Dutch politicians and trade unions remain worried about "carving up" Fokker among the Germans, French and Italians.

This disquiet springs from many sources. Unlike the fruitfulness of Anglo-Dutch partnerships, which have produced big

groups such as Unilever and Royal Dutch/Shell, there is no tradition of successful corporate alliances between Dutch and German companies. At the same time, lingering resentment resulting from the Second World War, combined with the natural wariness of a small country for a powerful neighbour, charges the takeover with emotion and poli-

aircraft industry is aware of what | about the institution's motives. This once bustling business is now dominated by just three companies: Boeing, Airbus and the offer to preference sharehold-McDonnell-Douglas.

aircraft industry needs fewer vote against. From 50p at the competitors, Fokker needs a big brother and Dasa wants to slid to 37p at Friday's close. become a mature business. Some in the Netherlands fear that the deal means the beginning for the end for Fokker. Some in Germany hope it is the end of the

#### WPP steps up pressure on investors to support rescue

company with nothing but debts.

a receiver on day one."

been offered.

plete proxy cards if they cannot attend the meeting. The outcome could depend

largely on Fidelity, the large US investment group, which last week bought a further 3m prefershereholders and analysts it But everyone in the regional tions, WPP's bankers are puzzled

> Some think the shares will recover if the votes are passed. and that Fidelity is buying for

#### Straight-line projections of past trends are almost always wrong, but with that caveat in mind consider Obstacles on this one: in a little more than: the road to 20 years China could have an economy as large as the US. In terms of income per head: it will, of course, izg America by a considerable margin. It may only be of the order of US\$7,000 per head. But, by 2015 China will be well on the way

wrote one Chinese commenta-

The main constraints to China's growth and the sources of inflation are many but a num-

the argument.

growth rate which Mr Li Peng, China's prime minister, also supports but he has clearly lost

operates quantitative controls on credit but its ability to China's banks made loans worth Yn120bn - twice the

The first is monetary. China In the first half of the year

increase its generating capac-ity by between 20 per cent and government's original target. Much of this credit is being

> stand still. However, the biggest con-

market is tightly controlled through a system of urban reg istration with the police. Workers are tied to their place of with housing, health and educational services.

China dearly. Yet the solutions to the problem - freeing the labour market, instituting sensible housing reforms, and lifting the burden of the state from the backs of the people are still distant prospects.

#### **Ukrainians** abroad plan bond aid to homeland

AMERICANS and Causdians of Ukrainian descent are hoping to emulate the success of State of Israel bonds by raising money for their homeland

bearing Ukraine bonds. Mr Dan Bilak, a Ukrainian-Canadian lawyer in Toronto, said the central bank in Klev had approved three annual Ukraine bond issues totalling US\$100m (252.3m). The first \$30m issue, due in

December, will carry a 7 per cent coupon. "We want to have a coupon so that Ukraine is seen to be making interest payments," Mr Bilak said. Mr Bilak and Mudge Rose, a New York law firm specialising in the securities market. are setting up a distribution network for the bonds. The

or so credit unions catering to the Ukrainian community, and in the US through a retail-oriented securities dealer. About 3m people of Ukrainian descent live in Canada

plan is to sell the bonds in Canada through the half-dozen

and the US. Mr Bilak said the bonds were primarily designed as "a confidence builder for the Ukrainiaus". No decision has be

on how proceeds of the bond

issue will be used. Mr Bilak

said the community "is wary

of throwing money into a con-

solidated revenue fund. We'd like to have a special pur-Money raised will probably be held in bank accounts in north America and Europe to

## ELONEXHILARATION



he even better value, but it's just a unimpe. Claser inspection reveals a comprentist in

fully appredeable PCs are built to the pipes standards and supported by on ofter sales service which is the early of the

Quench your thirst.Call Elenex now. Lendon affice: Tel 081 452 4444 Fax 081 452 6422 Boodland office:

Tel 0274 307226 Fex 0274 307294

PERSONAL COMPUTERS

LONDON - BRADFORD - PARIS - BRUSSELS - DUBLIN

## growth in China

the cities. In May, three major Chinese cities, including to being the most important Guangzhou (Canton), had inflation rates above 20 per cent. rate is the sum of the growth That month inflation in the in its workforce plus growth in country's 35 main cities was more than 10 per cent and in June it accelerated to 10.5 per

> Some mainland Chinese commentators are sanguine. In the face of steep price rises there was no "sign of panic buying and people rushing to with-draw savings from banks as predicted by economists,"

Economics Notebook By Simon Holberton in Hong Kong

Economic News. Well, no sign The desire for faster economic growth has become an article of faith for the coun-

tor in a recent issue of China

try's ageing leadership. Just over a week ago it became Chinese government policy to strive for annual real growth of between 9 per cent and 10 per cent a year for the rest of this decade. If successful, China will have managed to double the size of its econ-

omy by 1999. . But, at the current stage of its development the World Bank estimates that China can

probably not grow faster than

6 per cent a year - its esti-mate for the long-run trend

growth of total factor produc-

tivity - without inflation get-

ting out of hand. This is the

pumped into the country's inefficient state industrial sec-

with its budget deficit. At

In the first three months of this year, money supply was rising at an annual rate of 31.6 per cent. This was the ninth consecutive quarter of accelerating growth and the highest quarterly reading since 1988 when the economy last came

around 3.5 per cent of GDP the deficit mainly reflects subsidies to state industries and the country's urban population which receives virtually free housing, education and health. bonds to finance the deficit, it does not sterilise the deficit. The massive loans to state

industry are the result of print-

unstuck. China also had a problem

Although it sells government

ing money; in effect, China monetises its deficit. The second is infrastructure. little larger in area than the US but its road network is equal to only 16 per cent of that in the

US while the length of its rail network is 23 per cent of the US network.
The road network is poor, and the rail network is operating at full capacity. With a quarter of the capacity of the US, China's railways ship about 70 per cent of what the US transports by rail a year.

Although China is the biggest coal producer in the world power plants in Guangdong have to import coal. Electricity generation is another major constraint on China's growth. Simply to satisfy current demand and eliminate shortages China needs to

30 per cent from its current level of around 140,000MW. China plans to increase capacity to 200,000MW by 1995 and to add another 40,000MW by the end of the century. But it has to run fast simply to

straint on China realising its full potential for growth is political. Although China has liberalised many goods markets, it is fearful of liberalising that nation's biggest market: the market for labour. The country's urban labour

work which provides them The cost of providing these services, especially in the state industrial sector, is costing

> be drawn on as needed by the Ukrainian authorities.

## Aer Lingus cuts value of GPA stake by I£22m

By Vincent Boland in Dublin

AER LINGUS has reduced the value of its stake in GPA Group, the aircraft leasing group, by I£21.9m (£20.6m) in its accounts for the year to

lts 8.76 per cent stake is valued at about I£113m, based on exchange rates ruling at March

This implies a price of \$18.50 for each GPA share at March 31, compared to the range of \$20-\$25 a share (before a twofor-one split) which GPA set for its failed international public offering last month.

GPA said the price of \$18.50 a share was in line with its estimates of current value, though there has been no trading in GPA shares since the offer was

Aer Lingus's carrying value has been adjusted to take account of the airline's legal and administrative costs relating to the stake.

The airline owns 9.94m shares in GPA, which would have doubled following the proposed split. It hoped to sell a minimum of 4.64m shares in the offering, which was cancelled at the last minute on

Mr Larry Stanley, chief executive of Aer Lingus Commercial Holdings, said the value had been reduced for "reasons of prudence," prior to the cancellation in line with the indicated price range.

Aer Lingus, one of the founding shareholders in GPA, was one of those most anxious to see the offer proceed. It had planned to use the funds to reduce gearing.

It has been released from the "lock-in" arrangements agreed between GPA and its main shareholders before the offer and is believed to be keen to establish GPA's intentions on

seeking a quotation. Mr Stanley said Aer Lingus was adopting a wait and see approach and has had several meetings with GPA to discuss future financing arrangements.

We were very disappointed with the failure of the international public offering," he said. "It was an opportunity for us to get liquid. But we wanted to wait until we have a clearer idea of what GPA intends to do before making any decision. We have no pressing need for

Counting the cost of a less than easy route into Spain

Tom Burns looks at the complexities that Bibby faced over its hostile £86m takeover of Finanzauto its egm, could only watch Fin-

BIBBY & Sons, the UK industrial and agricultural group, has broken new ground as the first whollyowned foreign corporation to acquire a Spanish company in a hostile takeover.

Establishing the precedent proved more nerve-wracking and costlier than had been originally envisaged.

Mr Richard Mansell-Jones. chairman of Bibby, says he has "no regrets" about the company's acquisition last week of Finanzauto, Spain's leading supplier of earthmoving equipment. "There was nothing that happened which made us feel 'gosh, we should never have gone in'."

On paper it had looked like a pushover purchase. Bibby is 79 per cent-owned by Barlow Rand of South Africa, which has longstanding ties with Caterpillar of the US. Caterpillar backed the takeover and Finanzauto is the sole distributor of Caterpillar equipment in

Finanzauto, moreover, looked ripe for a friendly takeover. Its consolidated profits plummeted by 68 per cent to £4.8m last year. It faced the bleak prospect of a worsening domestic construction slump exacerbated by delayed government payments to contractors. But instead of welcoming Bibby's overtures, Finanzauto

The Spanish company's response was, in part, a knee jerk reaction against a foreign bidder that had taken a cheap acquisition for granted. The controversial six-month long struggle to take over Finanzauto was nonetheless more complex than that and it produced valuable lessons for all

A sample of opinions over the acquisition process includes the following: • Mr William Connelly, of Barings, Bibby's advisers, learnt that Class One purchases, a denomination which Included the Bibby bid and which requires shareholder approval under UK company law, are inherently risky in Spain: "We were faced with two basically different company legislations which were in conflict and contradictory."

• Mr Santiago Eguidazu, of Madrid brokers Asesores Bur-satiles who advised Finanzauto, discovered that a very diluted equity - nearly 80 per cent of Finanzauto's stock was held by 14,000-odd small shareholders - does not mean a trouble free bid, even when the market is as exceptionally depressed as Spain's is. "A very efficient defence can be mounted for very little money and the board, representing the shareholders, will insist on a

• A senior analyst at a top



Richard Mansell-Jones no regrets concerning bid

Madrid valuation firm believed that Finanzauto could be partly faulted because it initially failed to put a proper price on its company. "It should have put in place a reputable investment bank in order to get a reputable valuation." Lack of such a valuation left the impression that Bibby paid a moderate price.

• A senior corporate finance manager at a London-based accountancy firm reckoned Bibby partly brought problems upon itself. "Lesson one is get yourself an adviser with a good knowledge of the Spanish marunderestimate the Spaniards." The implication was that Bibby bought over the odds. As the divergent views indi-

cate, Bibby had anything but an easy ride. It initially approached Finanzauto, via Barings, in February. But then over the past three months Bibby clashed openly with the Spanish company's board over pricing, scorned the way it had managed its business, had its original takeover hid rejected by Madrid's stock exchange commission and finished up paying £86.2m, for Finanzauto, film more than it had originally intended.

At the core of the UK company's tension-fraught acquisition was the Class One category of its hid. Because Bibby's original offer of £75m for Finanzauto made a significant impact on its own market capi-talisation and because, by consolidating Finanzauto's debt it exceeded its own borrowing limitations, Bibby was obliged, under UK company law, to issue a Class One circular to its shareholders and to request them to waiver the limitations at an extraordinary general

The delay for shareholder approval eliminates the surprise factor of a bid and allows the target company to kill it either through introducing home grown defensive mechanisms or by invit-

ing in counter offers.

Madrid's stock exchange anzauto's share price rise and worry about rival bids. commission automatically suspended trading in Finanzauto shares when Bibby

account of the price sensitive

simultaneously deliver an egm

vote of shareholder support,

the commission lifted the sus-

pension as soon as it was satis-

fied that the market was aware

Mr Mansell-Jones says Bibby

made it clear to the commis-

sion that Barlow Rand, Bibby's

majority owners, backed the acquisition. To his chagrin the

market regulators chose how-

ever a "legalistic" interpreta-

tion and insisted on a share-

The commission offered a

different interpretation. Bibby

shareholder support documen-

tation was not in order but it

put in its bid anyway in the

hope of scaring off any

counterbidders.
Bibby should have acted

quickly and delivered the price

sensitive information and the

shareholder support at the

same time", said a commission

holder vote at the egm.

of the development

Additionally, Bibby discovered what Mr Mansell-Jones calls a "critical difference" informed it of its bid on between the London and Madrid market practices. As the nature of the information. But offer period came to a close, when Bibby was unable to the UK company found itself unable to count the acceptances and thereby decide whether to walk away, mainrain the offer or revise it.

We were operating in the dark, we couldn't take the temperature," Bibby's chairman says. The UK company believed that its offer of Ptai 300 (£7) per share had a "sporting chance" but offered no certainties. It therefore unilaterally chose to increase the

bid to Ptal,500. Bibby's predicament was increased by the highly aggressive defence mounted by Aseknew perfectly well that its sores Bursatiles, Finanzauto's advisers. It included a wideranging press campaign, letters to individual shareholders and detailed presentations to the institutions

"Our strategy was to convince everyone that Finanzauto was worth more than what Bibby was saying," said Mr Eguidazu of Asesores.

The upshot was that over a 14 day period last month Fin-By last week when more than 80 per cent of Finanzau-to's shareholders accepted the anzauto resumed trading on the Madrid stock exchange; and Bibby, which was awaiting increased price, there were nel-

#### Lower tax bill cushions **Black Arrow profit fall**

THE FULL effects of recession were felt by Black Arrow Group in the year ended March 31 1992, resulting in a reduction in pre-tax profit from £1.87m to £1.26m.

However, earnings per share rose to 3.5p (3.01p) after a tax charge of only £384,000 (£1.07m) and minorities reduced to £14,000 (£55,000). The final dividend is 1.6p for an unchanged

Turnover in the office furniture manufacturing division profit by a commensurate amount. However, margins were sustained by a reduction

in overall costs. In leasing and instalment finance turnover dropped 11.5 per cent to £1.45m.

The profit included an exceptional £308,000 on the sale of a subsidiary's trading freehold. The group's financial condi tion was healthy and borrowings had been virtually elimi-

## Magnetic agrees second TT bid

By Steve Thompson

TT GROUP, the rapidly-expanding conglomerate run by Mr John Newman, former acquisitions manager at Hanson, has launched an agreed 211.8m bid for Magnetic Materials, the Sloughbased manufacturer of magnetic components. Last year MMG fought off a hostile bid by TT.

The offer is three new TT shares for every 10 MMG, with a partial cash alternative which allows accepting shareholders to receive approximately 50 per cent of their consideration in

At last Friday's closing price of 215p per TT share, the bid values MMG group shares at 64.5p, compared with the closing price of 54p.

TT already speaks for just short of 40 per cent of MMG's shares, as a result of its unsuccessful

bid in 1991 which was worth 19.9m. Mr Brian Morris, chairman of MMG, said because of TT's resources "MMG will be better placed to exploit the growing worldwide markets for our products.

TT also revealed that it had held preliminary talks with the board of AB Electronics, the electronics group in which it recently bought a 7.41 per cent stake. TT described the talks as "constructive" but said discussions regarding its proposed merger are at an early stage. In March TT bought a 7.5 per cent in ML

Holdings, another electronics components man-

#### Fleming Enterprise net assets decrease

At June 30 1992, net asset value at Fleming Enterprise Investment amounted to 163.2p, compared with 165.8p a year earlier.

The managers said they were working on the basis that recovery would be tentative at best, until well into 1993.

Net revenue worked through et 21.78m (21.91m) for earnings per share of 4.46p (4.77p). The final dividend is 3.2p for a total of 4.5p (4.8p).

#### MTM to sell its country HQ in move to reduce borrowings By Chris Tighe

spokesman.

MTM, the chemicals group, is to offer its country house headquarters for sale as part of its restructuring and debt reduction programme.

Rudhy Hall stands in landscaped grounds on the North Yorkshire/Cleveland border. MTM said it is open to offers

Mr Ken Schoffeld, newly appointed chief executive, has said his main objective is to reduce total indebtedness

£106.7m in May - to £50m. The Hall, bought by MTM for some £250,000 in 1986 and restructured at a cost of £600,000, should fetch a seven figure price. The group plans to keep its headquarters functions in the north-east of England.

Rolls/Westing

Renault selling

progresses

Morgan Guaranty Trust

60 Victoria Embankment

Union Bank of Switzerland

Company of New York

London EC4Y 0JP

Bahnhofstrasse 45

CH-8021

#### Notice of Early Redemption

To the Holders of

#### TRIBUNE COMPANY

US\$100,000,000

101/2% Notes Due September 9, 1995

NOTICE IS HEREBY GIVEN that, pursuant to Section 6(a) of the Fiscal and Paying Agency Agreement dated as of September 9, 1985, Tribune Company has elected to and shall redeem on September 9, 1992 (the "Redemption Date") all of the outstanding Notes, at a redemption price equal to 1011/16% of the principal amount thereof (the "Redemption Price").

The Notes shall become due and payable on the Redemption Date at the Redemption Price which shall be paid upon presentation and surrender of the Notes together with all Coupons thereto appertaining maturing after the Redemption Date at the Paying Agents listed below.

The Notes will no longer be outstanding after the Redemption Date and interest on the Notes will cease to accrue from and after the Redemption Date and the Coupons for such interest shall be void. On and after the Redemption Date the sole right of a holder shall be to receive the Redemption Price.

FISCAL AGENT Morgan Guaranty Trust Company of New York 60 Victoria Embankment London EC4Y 0JP

Morgan Guaranty Trust Company of New York Avenue des Arts 35

1010 Bruwels Swim Bank Corporation Aeschenvorstadt 1 CH-4002

PAYING AGENTS Morgan Guaranty Trust Company of New York Morgan Guaranty Trust Company of New York Mainzer Landstrause 46 14 Place Vendome 6000 Frankfurt em Main

Banque Générale du Luxembourg SA 14 Rue Aldringen L-2951 Luxembourg

Amsterdam-Rotterdam Bank NV Herengracht 595 PO Box 1220

#### TRIBUNE COMPANY By: Morgan Guaranty Trust Company

as Fiscal Agent

Dated: July 27, 1992

This infertionant is usual in compliance with the regulations of the International Stock Exchange of the United Kingdom and Republic of Ireland Limited ("the London Stock Exchange"). It does not constitute an ingression to any parton to subscribe for or purchase shares. Application has been muste to the London Stock Exchange for the whole of the Ordinary there capital of Finles Group PLC ("the Company"), stund and to be issued, to be admitted to the Official List. It is expected that dealings in the Righes Issue shares, wil public and that dealings in the issued new Ordinary 3p theres, fully paid, will concerne on 3rd August, 1992.

#### FINLAN GROUP PLC

(Registered in England with No. 544516) (to be renamed BIRKBY PLC)

Acquisition of The Birkby Group Limited Rights Issue of up to 6,727,762 new Ordinary 5p shares conditionally underwritten by Charterhouse Tilney

> at 100p per share Capital Reorganisation

SHARE CAPITAL Share capital of the Company immediately following the Rights Issue and the Capital Reorganisation and before the Reduction of Capital:

Authorised	Number		£	issued and fully paid Number
900.000	18,000,000	Ordinary shares of 5p each	681,375	13,627,504

2,782,411 11,248,580 30,915,687 2,847,742 30,915,687 First Deferred shares of 9p each 2,782,411 Second Deferred shares of £3.95 each Following the passing of the Resolutions, application will be made to the High Court for an order confirming

the cancellation of the First Deferred shares and the Second Deferred shares.

The principal business of the Company will be that of a rental company providing managed workspace under icence, commercial vehicle hire, and instalment credit services to a range of businesses.

Copies of the listing particulars relating to the Company may be obtained during normal office hours, up to and including 10th August, 1992, from

Charterhouse Tilney, 1 Paternoster Row, St Paul's, London, EC-IM 7DH and at the registered office of the Company at 37 haworth Place, London, SW3 3QH and, by collection only, up to and including 29th July, 1992 from the Company Announcements Office, the London Scock Exchange, Capel Court, off Bartholomew Street, London, EC2N 1HP. Details are also included in the Companies Fiche Service available from Extel inancial Limited, 13-17 Epworth Street, London EC2A 1DL

#### COMPANY NEWS IN BRIEF

ABERDREN TRUST hes taken full management control of Worth Investment Trust following acquisition of outstanding 50 per cent of Etoile Invest-

BSS GROUP: Recent rights issue taken up in respect of

cent of offer).
GEARED INCOME Investment Trust: Net asset value 79.49p (95.66p) at June 30. Net reve-

nue for three-month period £326,367 (£333,489) for earnings of 1.48p (1.52p) per share. First interim dividend maintained at QUILIGOTTI: Recent rights

issue closed with acceptances of 20.1m shares, representing TAMS (JOHN): Applications for the placing and open offer had been received in respect of

229,000 shares or 46 per cent.

Current payment	Date of payment	ponding dividend	Total for year	Total lest year
rdi	-	nlt	nii	0.5
5.5	Oct 10	5.5	8.25	8
1.8	Oct 1	1.6	21	2.1
3	Oct 1	3 .	5	5
3.2	Oct 8	3.1	4.5	4.3
	psyment 5.5 1.6 3	payment payment hill 5.5 Oct 10 1.6 Oct 1 3 Oct 1	payment   payment dividend	Current Date of ponding dividend year  hill - hilt nill 5.5 Oct 10 5.5 8.25 1.6 Oct 1 1.6 2.1 3 Oct 1 3 5

#### **DIVIDENDS ANNOUNCED**

	Current payment	Date of	dividend	for year	year lest
Arienfin Banks (Skiney)fin		Oct 10	nit 5.5	nii 8.25	. 0.5 8
Black Arrow	1.8	Oct 1	1.6	21	2.1
Dyson (J&J)fin Fleming En'prisefin	3 3.2	Oct 8	3 3.1	4.5	5 4.3
Dividends shown pence	per share	net exce	pt where	otherwise	sizied.

#### THE BURTON GROUP PLC

(the "Company") £110,000,000

4<sup>3</sup>/<sub>4</sub> per cent. **Convertible Bonds Due 2001** (the "Bonds")

1992 at a redemption price of £1361/2 per cent.

NOTICE PURSUANT TO CONDITION 7(g) OF THE BONDS On 3rd July, 1992 the Company gave notice the "Previous Notice") to the holders (the "Bondholders") of the Bonds (which are constituted by the trust deed dated 10th February, 1987 as modified by the five trust deeds supplemental thereto trogether the "Principal Trust Deed as modified"), all made between the Company and The Law Debenture Trust Corporation p.L.c.) of the period for the deposit of Bonds for redemption at the option of the Bondholders pursuant to Condition 7(c) ("Redemption at the Option of the Bondholders") of the Bonds on 25th August.

1992 at a redemption price of £1.50½ per cent.

NOTICE IS HEREBY GIVEN to the Bondholders in accordance with Condition 7(g) ("Purchase in lice of Redemption") of the Bonds that the Company has not entered, and will not enter, into arrangements to procure the purchase by a third party, or third parties, of any Bonds so deposited for redemption pursuant to Condition 7(c) ("Redemption at the Option of the Bondholders") of the Bonds, and accordingly all Bonds so deposited after 4th August, 1992 and prior to the close of business on 18th August, 1992 will be redeemed by the Company at the above redemption price, on and subject to the provisions more fully described in the Province Notice.

Copies of the Principal Trust Deed as modified (which contains the current text of the Conditions of the Bonds following the modifications effected by the five supplemental trust deeds) are available for inspection during normal business hours on any weekday (Saturdays and public holidays excepted) at the undermentioned specified offices of the Paying Agents:

The Chase Manhattan Bank, N.A.,

Woolgate House, Coleman Street London EC2P 1HD se Bruxelles Lambert 24 Avenue Marnix, Chase Manhattan Bank Luxe 5 Rue Plactis. 1-2338 Lux

tan Bank, N.A., 63 Ruc de Phone CH-1204 Geneva This Notice has been issued by The Burton Group pic which is solely re

**FUTURES & OPTIONS** TRADERS FOR AN EFFICIENT AND COMPETITIVE SERVICE

The Burroa Group pla

27th July, 1992

BERKELEY FUTURES LTD. 15 PARK ROAD, LONDON NW1 6XN OR TEL: CHARLES DE ROEPER ON 071-224 8489 FAX: 071-224 B275

TRADING STRATEGIES & IDEAS Trend Analysis Ltd Fleranc House 2 Southgate Street Currencles • Bonds Energy • Metais & Hants 5023 9EH Oil Markets Tel: 0962 879764 Setting The Trend For Others To Follow

#### for the building, estate agents have yet to be instructed. CROSS BORDER M&A DEALS BIODER JUNESTOR TARGET SECTOR COMMENT VALUE Banking shareholders accept 4 USAir (US) Airlines

BA geis global British Alivanya (UK) Sanson (Spain) £314m Second swoop by Unit of Schering (Germany) Chemicals Non-core disposa Services (Australia) services lodged Press Kogyo (Japan) Press and Plattgrupper Press to play (Sweden) component in Europe Seyerleche Vere (Germsny) Schoeller & Co Banking n/a (Austria) Zontrul retrenching Allied-Lyons (UK) Picard (France) Food n/ii. French growth VIA Lyons

Contro

Chris

uras: FT Mergers + Acquisitions international

NEI Control Systems (UIQ)

Mostinghouse Electric

(Argentine/Brezii)

#### NOTICE OF EARLY REDEMPTION

NEI-Westinghouse Controls

·(JV)

To the Holders of **UT FINANCE CORPORATION** 

#### (Successor Obligor to) UT FINANCIAL SERVICES CORPORATION

US\$100,000,000 108/2% Notes due 1995 (the "Notes")

NOTICE IS HEREBY CIVEN that, UT Finance Corporation (the "Company"), as successor obligor to UT Financial Services Corporation under the terms of the Fiscal and Paying Agency Agreement dated as of August 28, 1985 and amended by a First Amendment dated as of March 1, 1988, pursuant to Paragraph 6(a) of the Terms and Conditions of the Notes will redeem the entire outstanding principal amount of the Notes on August 28, 1992 (the 'Redemption Date') at a redemption price of one hundred amount of the Notes on August 28, 1992 (the 'Redemption Date') at a redemption price of one hundred and one per cent (101%) of the principal amount thereof plus accrued interest on the principal amount to the said date, (the 'Redemption Price'). From and after the Redemption Date, interest will cease to accrue on the Notes, and interest coupons appertaining to Bearer Notes and maturing subsequent to the Redemption Date shall be void. The Notes should be presented for payment of the Redemption Price on or after August 28, 1992 together, in the case of Bearer Notes, with all interest coupons appertaining thereto maturing on or before the Redemption Date, failing which the amount of any missing matured interest coupons will be deducted from the sum due for payment.

Resistant Notes way he presented and surrendered for payment at Mosson Coupons. The Coupons

Registered Notes may be presented and surrendered for payment at Morgan Guaranty Trust Company of New York, Corporate Trust Operations Department, Tellers and Mail Unit, 55 Exchange Place, Basement A. New York, New York 10260-0023. In the case of Bearer Notes, and interest coupons appertaining thereto maturing on or before the Redemption Date, payments will only be made against presentation and surrender of such interest coupons (in the usual manner) and the Notes at the offices of any of the paying agents outside the United States detailed below.

Morgan Guaranty Trust Company of New York Avenue des Arts 35

Algemene Bank Nederland BV 32 Vijzelstraat PO Box 669 1000 EG Amsterdam Netherlands

Morgan Guaranty Trust Company of New York 14 Place Vendôme 75001 Paris

**PAYING AGENTS** Morgan Cuaranty Trust Company of New York Mainzer Landstrasse 46 6000 Frankfurt am Main Krediethank . SA Luxembourgeoise

L-2955 Luxembourg Morgan Guaranty Trust Company of New York New Yurakucho Building 12-1 Yurakueho 1-chome

43 Boulevard Royal

Chiyoda-ku

UT FINANCE CORPORATION By: Morgan Guaranty Trust Company as Fiscal and Paying Agent

Dated as of: July 27, 1992

#### COMPANIES AND FINANCE

## Consob issues rules governing takeover bids

By Haig Simonian in Milan

CONSOB, Italy's stock market and companies watchdog, has released its long-awaited rules governing takeover blds, in a further step to reform the

country's stock market.
The rules, governing the levels of share ownership which trigger a full bid, have been drawn up under bourse regula-tions which came into effect at the start of this year.

Unlike other countries rules, Consob has not defined a single, uniform, level of share ownership obliging a raider to launch a full bid for a quoted company, with identical terms . for all investors.

In the past, the absence of such rules in Italy has allowed control of leading corporations to change hands via deals between big shareholders, without the same terms being offered to small investors. Consob has examined the

ownership structure of all Italy's big quoted companies, and defined different levels for what it considers to be the "controlling" shareholding. In

the equity is defined as being sufficient to require a full bid. The quota is sometimes surprisingly low. In the case of Generali, Italy's biggest insurance company and its best example of a widely held pub-lic company, Consob has taken the 5.96 per cant holding of merchant bank Mediobanca, the higgest single shareholder the biggest single shareholder, above which a bid is triggered.

Consob's second category covers companies in which there is a single dominant investor, like Piat, Ferruzzi Pinanziaria or Pirelli, but which does not own an abso-Inte majority of the shares. In this case, the trigger level is more than that held by the

dominant shareholder. These rules have been eagerly awaited by bankers for their effect on shareholders' pacts, which are commonly used to control big quoted Italian companies, where no single shareholder has an outright

majority. In the case of such pacts the watchdog has defined the "controlling level", above which a bid is triggered as the sum of each case, an attempt to buy the various stakes held by the more than that proportion of pact's members.

## shipyard for \$17m

By Kerin Hope in Athens

CEDRIC Investments, a Greek shipping group, has agreed to buy Neorion Shipyards, a state-owned yard on the Aegean island of Syros, for

\$17m in cash.

The group, led by two
Athens-based owners, Mr Panayotis Tsakos and Mr Dimitrios Manios, undertook to retain the yard's 750-member workforce and to invest \$20m

in new equipment.
Two other Greek groups and one US shipping company made bids for Neorion, one of four loss-making Greek yards being sold off this year under the government's privatisation

The sale was arranged by the state-owned Hellenic Industrial Development Bank (ETVA), the yard's main creditor. ETVA preferred to take an immediate cash payment rather than accept Mr Tsakos's alternative offer of Drebn (\$31m) payable in instalment: over 10 years.

Neorion, which specialises in repairs and conversions, reported losses of Dr509m on turnover of Dr5.36bn in 1990, the most recent figures available. The yard has accumulated debts of Dr16.3bn, mostly to state-owned banks.

## Greece sells | Earnings at Asarco in sharp decline | Nationwide

ASARCO, the US integrated mining company, reported second quarter net earnings of \$4.9m, or 12 cents per share, a sharp decline from the \$15.4m. or 37 cents per share, in the same period last year. Lower metals prices and

slack production at several key mines cut into results. Sales were \$487.2m for the second quarter, compared

with \$458.9m last year. Copper production at the company's Ray mine in Arlzona was impeded by heavy rains and at its Mission mine, also in Arizona, by lower grade and harder ores. Lead and zinc production fell at its Missouri

In the three months ended June 30, the company's average realised price for copper declined 2 cents to \$1.03 a

mines because of lower ore

\$4.11 an ounce, and \$29 for gold to \$364 per ounce. The average realised price for lead remained flat at 26 cents a pound, while zinc rose rose 10 cents to 62 cents per pound.

Some of these adverse price and production effects were offset by a second quarter \$2.1m dividend from the Southern Peru Copper Corporation and a credit of \$3.4m from

pound, 10 cents for silver to authorities. The 1991 second quarter had benefited from a \$5.1m gain from the sale of Asarco's shares in Highland Gold and a credit for capitalised interest worth \$2.1m more than in the 1992 period.

For the first six months, Asarco had net earnings of \$11.8m, or 29 cents per share, on sales of \$945m. For the same period last year, net earnings were \$23.4m, or 57 cents per

#### sion to relax the guidelines D-Mark paper by non-German Nationwide can issue up to \$750m under its Euro MTN programme. The programme currently has about \$500m

outstanding and is part of the building society's wholesale funding programme. Mr Paul Barratt, treasurer (risk management) at the

in D-Mark

notes plan

NATIONWIDE Building

Society plans to issue D-Mark

denominated notes as part of

its Euro medium-term note

(MTN) programme, following the Bundesbank's recent deci-

building society, said it would be looking at opportunities for issuing D-Mark notes over the next few days; "We will be looking at the pricing and if an opportunity arises we will take it," he said.

The new Bundesbank guidelines on issuing D-Mark paper were announced earlier this August 1. Nationwide has appointed Merrill Lynch as its German arranger, and is appointing Westdeutsche Landesbank Girozentrale as a dealer under its existing Euro medium-term note pro-

#### Zale files reorganisation scheme as losses mount

ZALE Corporation, the world's largest jewellery retailer which in January sought protection from its creditors under chap-ter 11 of the US bankruptcy code, last week filed a reorganisation plan with the Dallas

The move came as Zale revealed net losses of \$960m for the year to end-March, com-pared with losses of \$54m in the previous 12 months. However, the losses were struck after a \$811m provision for asset write-downs and restructuring expenses associated with the bankruptcy. Sales last year totalled \$1.16bn, compared

The official creditors' com-

along with banks and trade creditors. Under the plan, Zale's operating subsidiaries would be consolidated and much of the group's debt would be swapped for equity in the reorganised business. Zale also said Swarovski

International, a big share-holder in Zale since 1986, is very interested" in participating in the reorganisation. "Swarovski has advised Zale that it would like to purchase a substantial amount of equity in the reorganised company," said the Dallas-based company, SIH is a Zurich-based vehicle for the wealthy Austrian Swarovski family. The other leading shareholder in Zale is Peoples Jewellers of Toronto.

#### One-for-one bonus issue from Singapore Airlines SINGAPORE Airlines (SIA),

the flag carrier, proposed a one-for-one bonus issue at its annual meeting on Saturday. Reuter reports from Singa-

The airline hopes the move will help its shares climb out of the narrow range of \$\$12 to \$\$13 each, which they have traded at since the end of the

Gulf war in February 1991. SIA's shareholding structure restricts trading: about 100 shareholders control 91.6 per cent of the airline. Local analysts said a honus issue would make SIA shares more liquid. With more shares available for trading, prices could be expected to rise.

With a market capitalisation of \$89.13bn (US\$5.6bn), SIA is

Singapore's biggest listed com-pany. It is also among the world's most profitable air-

However, analysts said the move was unlikely to make much difference to the price of foreign held shares. Trading in these is restricted by a ceiling on foreign ownership and the annual meeting made no deci-sion to raise this limit. Foreign shareholders account for 27.1 per cent of SIA's capital.

SIA's management had ear-lier opposed the bonus issue, saving it was not in the best interests of long-term investors. It reversed its stand on Saturday after the annual meeting unanimously passed a resolution proposing the

#### Optimistic forecast after Nestlé sales rise 13.4%

By lan Rodger in Zurich

NESTLE, the Swiss multinational food group which has just won permission from the European Commission to take over France's Perrier mineral water company, has reported a 18.4 per cent rise in salesin the first half to SFr26.3bn (\$19.8bn) and forecast a "healthy net profit" for the full year.

The group said sales volume grew 3.3 per cent, with the remainder of the turnover growth coming from price

increases and currency conversions. Volume increased in virtually all product groups and geographical areas, especially in Asia and north America, but it fell in Brazil.

The group said it expected volume to grow "perhaps even at a faster rate" in the second half, and foresaw increases in consolidated sales and net profit, provided that European currencies maintain their exchange rates with respect to the Swiss franc and the US dollar does not suffer "an even more marked plunge".

#### **CONTRACTS & TENDERS**

WANDSWORTH BOROUGH COUNCIL REMODELLING & REFURBISHMENT WORKS TO LONGHEDGE RESIDENTIAL HOME FOR ELDERLY PEOPLE LONDON, SW11

PHASEI Phase I will consist of remodelling and refurbishing internally part of the residential home into small independent units with their own

During the course of the contract part of the residential home will remain occupied and the integral day centre will also continue to

Experienced contractors in refurbishment and remodelling works of a high standard, wishing to be considered for selection to tender, should submit their names to the Director of Social Services, Welbeck House 43-55 Wandsworth High Street, London SW18 2PS by Friday 4 September 1992.

The work will consist of:-

1) Refurbishment/remodelling work. 2) Plumbing works.

6) A copy of their Safety Policy.

3) Mechanical/electrical works.

The value of this Phase is anticipated to be between £500-600,000. Interested contractors MUST provide the following:-

1) A copy of their Construction Industry Tex Deduction Certificate

2) Evidence of Insurance cover under Public Liability of £2,000,000. 3) A copy of their conffied accounts for the last two financial years.

4) The names and addresses of two referees able to provide details of their technical competence with regards to similar types of works. 5) Details of labour, plant, technical and management staff available.

7) Details of work of a similar nature, particularly that for public organisations, where premises were occupied. It is anticipated that the programme of works will take place over

Tender Documents will be ready in Pebruary 1993 for a start on site is

Any queries regarding this advertisement should be directed to Mr R

Ludlow on 081 871 6312. The consultant for this Phase will be: Director of Technical Service

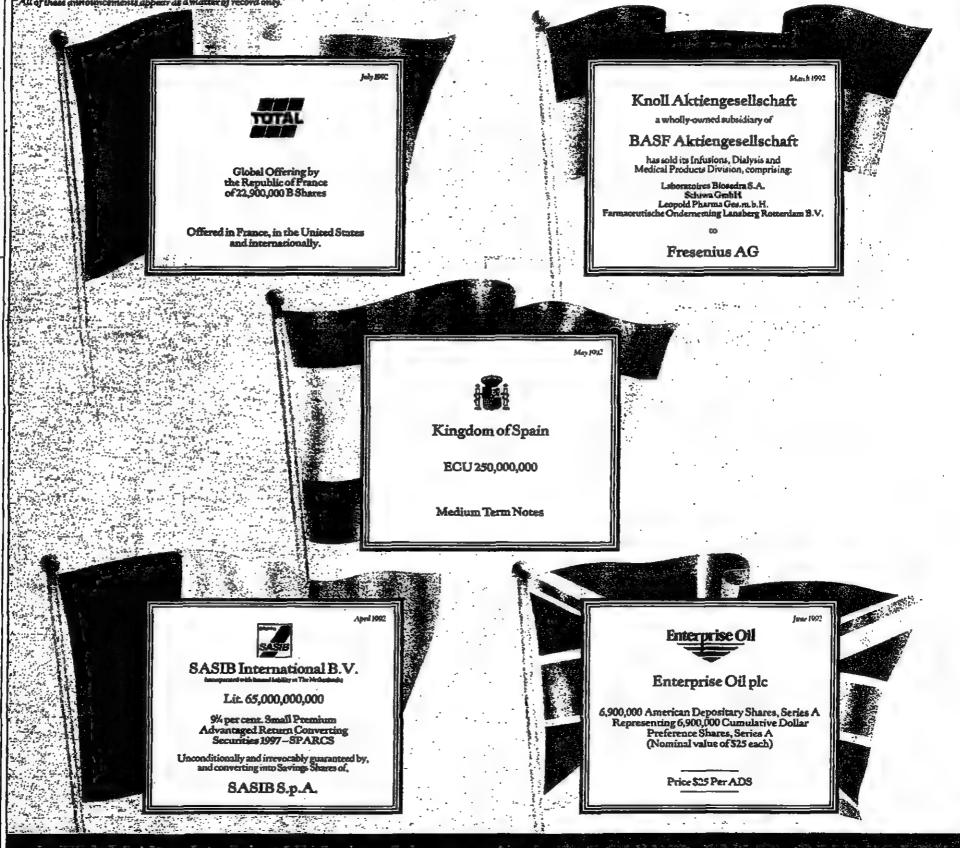
> G.K. Jones Chief Executive and Director of Administration

#### **LEGAL NOTICES**

Administrative Receiver: Natic Westminster Benk Pic, Corpurate Insolve Scotlen, 11th Floor, King's Cross House, Pentonville Road, London N1 911L. J nive receivers: N J Vooght (effice mber 6339) and C J Hughes (effice

(Design Service).

of person appointing the administracelvers: Midland Bank Ple-



## Successful European Partnership in 1992

While the state of political union in Europe takes shape, at Lehman Brothers International we continue our ever successful tradition of partnership. Our European commitment is reflected in an integrated team of over 1,500 employees based in ten key cities, including London, Frankfurt, Madrid, Milan and Paris. Established in Europe since the 1920s we have worked together with a wide range of clients across countries and continents, on many different projects and in a variety of markets. The constant common factor is teamwork.

Our client relationships are unquestionably the most valuable asset we have. Our approach is to make your business very much our business. This enables us to take a lead in pursuing opportunities on your behalf from a global perspective and to cooperate in bringing creativity and continuing success to your corporate and

It is a team effort that has resulted in 283 transactions, worth U.S. \$62,000,000,000, across Europe in the first six months of 1992. So if you would like to benefit from a successful partnership, we'd like to be involved.

### LEHMAN BROTHERS

INTERNATIONAL

The Tradition Continues

Lehman Brothers is a division of Shearson Lehman Brothers Inc

#### INTERNATIONAL CAPITAL MARKETS

**UK GILTS** 

## Cool response to new regime for public spending

"At the heart of the public spending is crucial medium term strategy is the need to return to a sensible level of public spending and to see taxes and government borrowing reduced . . . This review is crucial to the strategy, crucial to success in reducing the public sector borrowing requirement. lowering interest rates and bringing down inflation - and crucial if we are to find room for lightening the tax burden and so provide scope and encouragement for enterprise and initiative.

These were the phrases used by Sir Geoffrey Howe, the former UK chancellor, in his Budget speech in March 1980 - the event which led to a strategic rethink of UK public spending. With simularly ringing words. Mr Norman Lamont, the current chancellor, might last week have introduced his own reforms to the way Britain organises this part of the econ-

in fact. Mr Lamont said nothing in public. The new regime for public spending - which seeks to impose tough disclplines with a view to reining back increases in the public sector borrowing requirement was introduced not in par-

liament but in off-the-record

briefings to journalists. The glit market - to which the question of future rises in

was not greatly excited by the changes.

While gilts investors might have been expected to be impressed by the new approach - which is likely to lead to spending cuts of some £13bn in 1994-95 and 1995-96 they focused last week mainly on other factors.

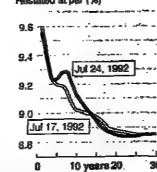
Since many of these are negative for gilts, the market as a whole behaved nervously. Prices were little changed for most classes of gilts although yields in the five to 10-year area rose by around 10 basis points due to a mild self-off in this part of the yield curve.

Under the Treasury's new system for limiting public spending, in future years totals will be set using a "top down" approach involving the whole cabinet. The regime is designed to reduce the pace at which total government spending has risen in recent years. But the gilt market last week was every bit as worried about how much tax revenues - the other side of the PSBR equation are likely to be depressed as a result of the weak growth prob-

able over the next few years.

That concerns gilt investors

on the basis that the more the PSBR goes up, the more glits have to be issued and the greater the chances of a fall in



prices due to a glut in supply. According to estimates by Mr Michael Saunders of Salomon Brothers, revenues over the next few years are likely to be much less than the Treasury's projections in March. He reckons the shortfall will be eq 4hn in 1993-94 F17-4hn in 1994-95, £20.9bn in 1995-96 and 227bn in 1996-97. As a result, he is pencilling in much bigger PSBR numbers than the Trea-

sury is predicting. Over the weekend the Treasury came close to admitting that Mr Saunders' calculations are along the right lines by indicating that corporation tax revenues are likely to be lower than expected.

With other worries for the market also dominating last week - including the weak pound and the concern over whether the Maastricht agreement on monetary union might unravel - many gilt investors were in no mood to respond enthusiastically to any words from Mr Lamont, even had he

Peter Marsh | Alberta's latest C\$750m, five-

US MONEY AND CREDIT

## Three-way tug-of-war takes up the strain

THE stage is set for a complex tug-of-war in the US credit markets between political opinion polis, currency markets and economic statistics.

The three were neatly on display last week as central banks intervened to support the ailing dollar; as Mr Alan Greenspan, the Federal Reserve chairman, gave his twice yearly Humphrey Hawkins testimony to Congress; and as Mr Bill Clinton, Democratic presidential candidate, continued his surge in the polls.

It is slowly dawning on Wall Street that Mr Clinton could well be the next president. The Bush campaign is in such disarray, and the Clinton/Gore ticket seems to be so successfully tapping into an underlying desire for change, that Mr Clinton must have a reasonably good chance of winning.

If Mr Clinton sustains his momentum, Wall Street will grow increasingly littery and the bond market particularly so. The Democrats, with their "tax and spend" history, are seen as the party of inflation, and Mr Clinton has yet to explain convincingly how he will fund his national invest-

ment programme. Wall Street remains relatively sanguine, but the first twinges of anxiety are being felt in the foreign currency market, which is additionally concerned about Clintonian tax policies which could hurt

Political uncertainty, further signs of tardy American GDP growth and the huge interest rate differentials between the US and Germany, have meant a sharp fall in the dollar

recently. Last Monday, however, the US ended its long-standing benign neglect of the dollar's value and the world's central banks intervened to support it. The move stabilised not only the dollar but US bonds. Yet the dollar could fall fur-

ther if European rates stay high and if the Democrats sustain their advantage. And dol-lar weakness would be bearish for the bonds market. However, pulling against

tors is the reality of a very weak US recovery, and low domestic inflation. Further evidence of economic sluggishness last week helped push the yield on long bonds down to the lowest level since January. with the yield touching 7.53 per cent on Thursday before ending the week at 7.56.

Mr Greenspan's testimony provided no surprises for the credit market. His faintly upbeat forecast that economic expansion would gain momentum soon concurred with the Wall Street consensus. He also said the Fed was leaning towards cutting money supply growth targets, as the relationship that existed between

these potentially adverse fac- money supply and economic growth was not as strong as before. The implication is that this year's slow M2 growth, well below the Fed's target

may not be so bad after all. The upshut was to leave the market expecting little change in Fed policy, apart from a possible 25 basis points off the Fed funds rate if economic statis-

tics turn grimmer Nevertheless, many analysis expect long bonds to continue rallying as inflationary concerns subside. But that may beto place too little emphasis on political risk, the Treasury's heavy funding needs, and the influence of foreign markets.

Martin Dickson

CANADIAN FUNDING

### Enthusiastic reception shows appeal of provincial issues

CANADA's 10 provinces have a hearty appetite for funds and nvestors seem eager to satisfy t. The provinces and their utilities, such as Ontario Hydro and Hydro-Quebec, have tapped the domestic and international bond markets for about C\$24bn so far this year. Last week alone British Columbia, Alberta, New Brunswick and Nova Scotia raised more

than C\$1.5bn in Canadian and US dollar-denominated bonds. The appeal of Canadian provincial paper is reflected in a sharp narrowing of spreads over the past six months.

year issue was priced to yield 7.07 per cent, or 30 basis points above comparable Canadian government bonds, whereas the spread was 54 basis points earlier this year.

While spreads may tighten a little further, investors are banking on further capital gains as Canadian interest rates continue to fall. The Canadian yield curve has

never been steeper. Three-month Treasury bills were yielding 5.25 per cent at the end of last week, down from a peak of almost 13.7 per cent in mid-1990. By contrast, long-term Canadian govern-

ment bond yields have fallen from 11.5 per cent to 8.5 per cent in the same period. Mr Barry Calhoun, chief fixed-income dealer at Toronto Dominion Bank, predicts that long-term bond yields could slide 2 to 3 percentage points.

Investors increasingly view Canadian provincial issues as an alternative to US bonds, offering a higher yield without significantly greater risk. The spate of issues this year has greatly improved the liquidity

of the provincial market. Ontario's budget last April milestone improving the climate for .

FT/ISMA INTERNATIONAL BOND SERVICE

cycle, several provinces may provincial bond issues. The market had expected have difficulty meeting their budget deficit targets. Inflation Ontario's 1992-93 deficit to soar from the original forecast of C\$8.9bn to as high as C\$11bn: instead the province's social crucial phase. democratic government announced a CS9.9bn shortfall for the coming year. The Bank

currency risk appears small. Cautious players would irgue that the best of the provincial and Canadian bond market may be over. With Canada's economy still bumping along at the bottom of the

of Canada's performance in beating back inflation has also

been bullish for bonds and the

is more likely to go up than down and negotiations over Quebec's future are entering a

But the enthusiastic response to the recent spate of provincial issues indicates that many investors believe either that Canadian bond prices still have some steam left, or that Alberta or Nova Scotia are safer havens for their money at present than some of the alternatives, especially in Europe.

Bernard Simon

**EUROPEAN BONDS** 

#### Bundesbank fails to erase fears of interest rate rise

EUROPE's government bond markets remain volatile as the recent increase in Germany's discount rate falled to erase fears of further rate rises by the Bundes-bank, and left higher-yielding European markets particularly vulnerable.

Mixed German economic data last week tock its toil on the bund market. On Wednesday, money supply figures showed annualised M3 growth slipping to 8.7 per cent in June from a revised 8.8 per cent in May - well above the Bundesbank's tar-

get of 3.5 to 5.5 per cent.

The markets have speculated about further increases in German rates - specifically the Lombard rate - although some economists say that after the Bundesbank raised the discount rate from 8.0 per cent to 8.75 per cent on July 16, a further rise in German rates is unlikely.

More favourable were inflation figures for three western German states last week. The July annual inflation rate for Baden-Württemberg fell to 3.2 per cent from 4.3 per cent in June, while in Hesse, it fell from 3.7 to 2.7 per cent, and in North Rhine-Westphalia from 4.3 to 3.3 per cent. With Bavaria still to report, economists expect western German inflation to fall

below 4 per cent in July. Meanwhile, tensions within the ERM are playing havoc with some Mediterranean markets. On Thursday, Spain increased its key intervention rate from 12.4 to 13 per cent - following spending cuts and tax

up yields on Spanish government bonds. The lira has come under speculative pressure during the last month, with the markets wondering nervously if it will be devalued - forcing the Bank of Italy to raise interest rates. The Italian bond market has see-sawed wildly recently, and last week was no exception with continuing devaluation fears. News that the main credit rating agencies were considering downgrading some state-controlled enterprises did not help sentiment.

Tensions within the ERM seem likely to remain as the spectre of higher interest rates hangs over European bond markets and ahead of the French referendum.

Sara Webb

This announcement appears as a matter of record only

New Issue

U.S. \$250,000,000



#### **Daiwa International Finance** (Cayman) Limited

(Incorporated with limited liability in the Cayman Islands)

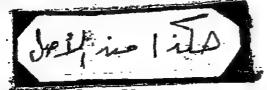
5.65 per cent. Exchangeable Subordinated Bonds

Exchangeable for shares of common stock of and guaranteed on a subordinated basis by

#### The Daiwa Bank, Limited (Kabushiki Kaisha Daiwa Ginko)

(Incorporated with limited liability in Japan)

Issue Price: 100 per cent.



Merrill Lynch International Limited

Nomura International

MANCE 7 3/4 % AM CO 8 1/2 % EURO TRUST 8 3/4 % OFS FIR O 98 BREBUCK EURO 7 3/4 94 EC DE FRANCE 7 L/406... HAND 5 3/4 95 HERAL MOTORS 7 L/7 95 NAN DEV BK 5 L/2 94... V81/2% HELT (2%) B 34 90

#### INTERNATIONAL BONDS

## Crisis of confidence rips heart out of Ecu sector

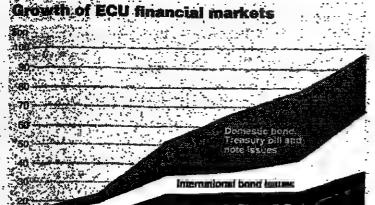
WAS it the triumph of hope - and hype - over reality? The Ecu bondmarket, long touted as the future face of European capital markets, ground to a halt last week as the pent up pressures within the exchange rate mechanism finallytook their toll.

Traders returning to their desks this morning face an unenviable task. How do they convince investors that the market is still open for business when on Friday they had sent the clearest possible message that it is not? Banks which act as market makers in Ecu bonds were relieved of their normal obligations to trade with each other at quoted. prices - though only for one day.

Traders claimed that this did not stop investors dealing - as, in fact, many were said to have done on Friday. But if the heart of the market's mechanism has been ripped out, how much of a market can truly be said to remain? And is the concern that spread through the investment community on Friday likely to ease quickly?

62

The tension in the Ecu market had been clear since early June, when Danish voters gave their damning verdict on the Maastricht plans for economic and monetary union. It took the German Bundesbank to finish the job. Its move a week and a half ago to raise the German discount rate by % point gave the latest nudge to a market which already seemed to be tottering on the edge of an abyss. Ecu bonds duly fell off.



mark, the French government's 8.5 per cent OAT due March 2002, had risen by the end of the week to just under 9.5 per cent, up around 25 basis points on the week and more than 50 basis points in the last

Perhaps a more significant indicator is that Ecu bonds are now thought to be worth less than the som of their parts. As optimism over monetary union gathered ntum last year, yields on Ecu bonds fell to less than the theoreti-cal yield of a basket of bonds made un of the component currencies - a

1989 1987 1988 1989 The yield on the 10-year bench- sign that investors were prepared to pay a premium to invest in the prospect of monetary union.

Bank lending

1990 .

One result was a rapid increase in the amount of bonds being issued in the international markets. As the graph indicates, borrowers turned away from issuing Ecu instruments in their domestic markets to rely more heavily on international

investors last year. After the Danish vote though. the premium on Rous vanished. Although it returned briefly, the discount disappeared again last week, as 10-year yields climbed to as much as 40 basis points over the

**NEW INTERNATIONAL BOND ISSUES** 

Many banks were said to have been running long positions in the Ecu for some time. Last week, as more investors moved to unload their own stock, the one-way tide of paper finally forced the market

makers to call it a day. As the week wore on, there were already complaints that market makers were not answering their elephones or were otherwise making themselves unavailable. The International Securities Market Association, which oversees the narket, took no immediate action.

"ISMA has to police this better," one Ecu trader complained. ISMA's sub-committee overseeing the Ecu market duly decided on Friday that enough was enough, and rather than try to force market makers back to their phones, it imposed a one-day "time out" to allow traders to recover from their battering. Market makers argued that it was

impossible to run a market when conditions had deteriorated so fast, We are the messengers rather than the cause of the problem." complained Mr David Ovenden, head of the ISMA sub-committee. Why should things be any better

today than they were last Friday? With the French referendum on Maastricht nearly two months away, there seems little prospect of confidence returning to the Ecu market. And the current overhang

of paper will persist for some time. It seems that a core of market makers will regroup and re-estab-

lish the semblance of a market Although there have officially been 44 market makers in Ecus, around three quarters of them in London, the real market has concentrated in perhaps 10 or a dozen banks, among them Paribas, Goldman Sachs, Morgan Stanley, J.P. Morgan, CCF and Indosuez. Enough of these core banks indicated on Friday that they would start making markets again today to suggest that the market will return.

Also, the maximum spreads market makers are allowed to quote have been widened to help protect them against a renewed round of selling. For most bonds, maximum spreads from today will have dou-

It may also take official intervention to bring some confidence back to the market. The Bank of England and the French Treasury were in contact with market makers on Friday, concerned about the fate of their Ecu-denominated securities.

The message they were given: they should be prepared to intervene themselves to put a floor under Ecu bond prices. "I wouldn't be surprised, if the markets stayed volatile, to see some sort of action from the central banks," said Mr

Such assurances may help to shore up the market for now. But it is still likely to be a long and bumpy ride to the French referen-

Dealsche Bit

Comm.Bk.of Australia

Richard Waters

7.940

8.572

8.825

### **Anthony Harris**

## A pfennig for your thoughts



Jest in Isla

times for contrarjans. All the gloom m me world in the markets, yet prices keep falling. What can it be that they have failed to in the world in the count?

One thing is governments Ever since President Hoover tried to talk the US economy up during the 1929 crash, markets have taken official reassurance with a pinch of arsenic; but they still try to do it. Tokyo provided a textbook example on Friday, when a ministerial meeting designed to reassure the markets knocked more than 500 points off equities.

Our own embattled Mr Norman Lamont may have done it again yesterday, with yet another stonewalling defence of the present strategy and worse, another forecast of recovery. One might have hoped that he would have learned from the sterling wobbles a week earlier, when every statement from Downing Street of unytelding commitment to the present D-Mark target for sterling drove the currency a bit lower.

Especially, perhaps, announcement that if the D-Mark did revalue, we would go up too. Like Matilda's aunt when faced with lies, the market stared and stretched its eyes.

It is all meant to sound resolute, but what it actually arouses is memories stretching back, according to age, to Sir Stafford Cripps, or Mr Callaghan, or the umpteen devaluations between the first French proclamation of the franc fort and the actual achievement of a strong franc.

It is interesting to contrast these humiliations with the continued willingness of Wall Street to support implausible multiples in the face of complaints from the White House about the recovery's sluggishness - though at least they do have a recovery of sorts.

These reactions are in fact perfectly logical. Faced with disappointments, the markets do not like to be told that they are fussing about nothing. They prefer to learn that the authorities are disappointed too; that preserves the hope of remedial action.

This announcement appears as a matter of record only.

Defensiveness, by contrast, breeds uncertainty: is the govern-

THESE are hard ment really bent on punitive defla-times for contrar-tion, or stupid, or hiding something? The best policy in hard times appears to be frankness; fail-

ing that, silence.

Meanwhile, uncertainty is increasing from causes quite beyond government control. The confrontation with Iraq would be bad enough, without the appearance of a credible electoral challenge in the US, the disquiet on the government's back benches in London, and the grim implications for banking of any marked worsening in the worldwide recession.

The bond markets might be expected to provide the good news in bad times; but they are sulking too. In nearly all the main markets they can see enough fiscal problems stretching into the far future to preserve a more or less indefinite buyers' market - a sadly familiar picture in the London gilts market until a decade or so ago. In this respect the long-term prospect is in fact much better in New York and London than in markets which are traditionally better respected.

The demographic problems facing Britain and the US are a fleabite compared with those of Japan or of most continental European countries, and could be tackled with a moderate tax increase; but markets cannot be expected to adjust to such a change in their perceptions overnight. This is where authoritative government statements might be helpful rather than suggesting panic.

But if the markets are, in fact, slowly awakening to the emergence of deep-seated problems of government finance, the recent movement of prices makes a lot of sense. Permanent fiscal problems suggest a very durable rise in real long-term interest rates; and that in turn explains the closing gar

between bond and equity yields. In real terms it has been closed from the bond side. This has an especially strong message for Lopdon, since in most low-inflation countries the investment institutions have always preferred a far higher bond proportion in their portfolios than has been seen in London for more than 30 years. So the cult of the equity may indeed be over, failing a new burst of inflation. And on inflation, ministers are credible.

21st May, 1992

Borrowers	Amount M.		Av. Ille	Coupon	Price	Book runner	Offer yield %	Borrowers	Amount m.	Meturity	Av. iše years	Coupon	Price	E
US DOLLARS	et a e a		. :					D-MARKS						_
Pente-Ocean Constr.  Kuraray Co.  Marble 1(d);  Marble 1(e);;	200 150 95	1996 1996 1997	4 4 5 5	2.25 2.25 (d) (e)	100 100 100 100	Yamalchi intl.(Eur.) Daiwa Europe IBJ Intl. IBJ Intl.	2.250 2.250	N.E.Finance of Japant ECSC(jitt AUSTRALIAN DOLLARS	200 372	1989 1997	7	8.4 (d)	102.40 104.23	
Telefonica Argentina(g)† Bco de Cred.Argentino(h) Toyata Motor Crdt.Corp.1 Aliaa No.6(m)††	100 75 260 200	1895 1994 1995 1997	3 2	8 9 5 (m)	100 99.666 100,8375 100	Lehman Bros.inti. Citicorp Inv. Bk	8.000 9.751 4,694	Comm.Bl.of Australie† 8WISS FRANCS	100	2000	8	8 75	101	0
Am.Express Mat.Tat.(I)(1) Am.Express Mat.Tat.(I)(2) STERLING	500m 500m	1987	5 7	6.05 6.60	19,709 19,62	Lehman Brothers Lehman Brothers	6.118 6.669	Kuraray Co.(c)+++ IBM Intl. Finance† Oekolunds†	100 50 170	1996 1993 2004	4 1 12	3.75 9.25 71 <sub>4</sub>	100 101.30 102.25	S
Nationwide B.S.(a)† Haco Ltd(i)† CANADIAN DOLLARS	100 83	2007 2017	15 15	10.5 10.625	100.10 99,857	CSFB Klehmort Benson	10.486 10.695	LUXEMBOURG FRANCS Postipannki(f)†	750	1999	7	5.25	102 15	
GECC† GMAC† Hypobank(a)† YEN	150 100 100	1995 1997 1998	4 5 4	8.5 71 84	100.75	ScotiaMclood ScotiaMclood Inc Hambros Bank	5.224 7.503 6.422	Cregem Ind. 14/4/ Paugeot Fin Ind. 4/4/ **********************************	alf is not over	cised coucer	a milii ba rê-e	self to visid 2	SDDD OVER S	C me r
SXL Corp.(b)† Misubishi Estate Co† Misubishi Estate Co† Tokyo Dome Corp.(k) AB Spiritab(n);†	1Sbn 60bn 50bn 1Sbn 1Sbn	1996 1999 2002 1996 1997	4.25 7 10.25 4.25 5.083	5,35 5,9 6 5,35 (n)	101.00 101.80 101.70 100 100	Yameichi Inti. Nomura Inti Nitiko Europe Yamaichi Inti. Daiwa Europe	5.077 5.506 5.772 5.348	t) Callable on 6.5.94 at per and semi-envisely. Put option front. Put option front July 1984 () 8 semi-envisely. Put option 56.33 Non-callable, Coupen payable so Global tesse of registered bonds yield apread of 46-44by (Transhe over 3 resem Yan Libor. Pues 4	ulty 1964, o) T ubordinated at 86.542, i) I projectionally, Two transh 1), 45-47bp (1	ranche B of leaue. Non-c Borrower is IJ Coupon p e iggoe. Cou l'andhe 2). s	\$100m deal sifiable, g) t special fit eya Sifop be pon payable s) Couton p	Coupon pey Coupon pey irpose vahig tow 6-month semi-annus eys 11000 as	ys 60bp over reple semi- se for nine a Labor. Nor ally Fees 4 bowe 8 mon	er é land Uli n-ci 45 b

#### USD 100,000,000 KANSALLIS - OSAKE -

PANKKI **Subordinated Floating** Notes due July 1997 Interest Rate 3.6875% p. a. interest Period July 24,1992 October 26, 1992



#### USD 100,000,000 GENFINANCE N.V. Subordinated Floating Rate Notes due 1994

interest Rate 5% p. a. [minimum rate provided under condition interest (d, IV)] Interest Period July 24,1992 January 25, 1993

Internal Amount due on January 25, 1993 per USD 10,000 USD 258,94



Fex 071-437 4966

#### CAL Futures Lad 162 Queen **FT-SE 100**

Where next? Call for our surrent views

Currency Fax - FREE 2 week trial

Victoria Sireet Lendon EC4V 4BS Tel: 071-329 3030

#### ALLIANCE - LEICESTER Alliance & Leicester Building Society £112,000,000

For the three months 24th July, 1992 to 26th October, 1992 the Notes will carry an interest rate of 10.99375% per annum with an

interest amount of £14,156.34 per £500,000 Note, payable on 26th October, 1992. Lient on the Louenbourg Stock Euchange Benkers Trusc Company, London Agent Sas

#### **Appointments** Advertising

Wednesday & Thursday Friday (in the international edition only)

appears every

BANK OF MONTREAL

US\$250,000,000 Floating rate debentures, series 10, due 1998

st rate for the period 27 July, 1992 to 27 January; 1993 has been fixed at3.7375% per um. The amount payable on 27 January, 1993 will be US\$191.03 against coupon No.

250,000 Floor

Certificates due 1998 The differential interest rate for the above payment period has been fixed at2.3125% per annum, interest payable on 27 January, 1993 per US\$1,000

note will amount to US\$11.82 Agent: Morgan Guaranty Trust Company

**JPMorgan** 

## Banco Comercial Português

ECU 140,000,000

#### **BCP Bank & Trust Company (Cayman) Limited**

8¾ per cent. Guaranteed Subordinated Convertible Bonds Due 2002

guaranteed on a subordinated basis by. and with rights to require conversion into shares of. Banco Comercial Português, S.A.

Issue Price 100 per cent.

### NOTICE OF REDEMPTION

MORTGAGE SECURITIES (NO.3) PLC £117,000,000 Multi-Class Mortgage Backed Floating Rate Notes due 2035 Notice is hereby given that, pursuant to Condition 5(e) of the otes, the Issuer shall redeem:

£4,928.63 per Class Al Nots £0.00 per Class A2 Note £0.00 per Class A3 Note on the next Interest Payment Date, being July 31, 1992. MORTGAGE SECURITIES (NO. 3) PLC

Leading international investment group requires an Investment Banker to market, originate and structure transactions for clients in Switzerland and levelop high level contacts in major organisations. Acting as a key financial adviser for raising capital investment strategies and financial structuring incumbent must be thoroughly familiar with Swiss Market and have extensive experience in dealing with Swiss clients. Incumberas aged 30-35, educated to degree standard with a minimum of 5 years' relevant experience gained within major financial institutions must have compre cnowledge of Investment Bank marketing and deal techniques and ability to conduct business in minimum of 3 European languages in addition to English. Salary negotiable.

INVESTMENT BANKER

Please write in confidence, enclosing full c.v., to Box A1924, Financial Times, One Southwark Bridge, London SE1 9fil.

## BusinessWeek

This week's topics:

Dated: July 27, 1992

Germany's Schlesinger On Interest Rates

Castro's Strange Cuban Capitalism

Amb. Strauss Sells America To Russia.

The Best U.S. Companies At Selling Is America's Export Surge Really Over?

Now available at your newsstand!

BusinessWesk laterantional 14, av d'Ouchy, CR-1006 Lausanne Tel. 41-21-517-4411 For subscriptions call UK 44-628-23431 Hong Kong 852-523-2939

#### 58 CO-OPERATIVE BANK P.L.C.

£75,000,000

Subordinated Floating Rate Notes 2000

Holders of Floating Rate Notes of the above Issue are hereby notified that for the interest period from 24th July, 1992 to 26th October, 1992 the following information will apply.

1. Rate of Interest:

107/46% per annum

2. Interest Amount payable on Interest Payment Date:

Per £5,000 nominal or £1,340.33 Per £50,000 nominal

26th October, 1992

Interest Payment

Agent Bank Bank of America International Limited

**Merrill Lynch International Limited** 

Banque Bruxelles Lambert S.A. **Daiwa Europe Limited** 

Robert Fleming & Co. Limited Lehman Brothers International

Morgan Stanley International

Paribas Capital Markets Group

Λ

J. Henry Schroder Wagg & Co. Limited

**UBS Phillips & Drew Securities Limited** 

CISF-Companhia de Investimentos

e Serviços Financeiros, S.A. Credit Lyonnais Securities

Deutsche Bank Capital Markets Limited Goldman Sachs International Limited

J.P. Morgan Securities Ltd.

**Swiss Bank Corporation** 

Nomura International

Salomon Brothers International Limited

Portuguese Adviser

CISF-Companhia de Investimentos e Serviços Financeiros, S.A.

#### WORLD STOCK MARKETS

les Stock										CAN	ADA							
	•	Low CI	ose Ch	ng 8	35603 C	lock and Sys	16 <sub>1</sub>		Close 194	Ching +4	Seign Stock 500 Laurent Bk	51712 1712		٠.	es Stock	_	Low Close (	141 <sub>2</sub> +3
4:00 pm	ORON		24		2200 C	cownX /	ev 55		54	+4	10000 Lawent Gp 400 Lawson Mar 8300 Lobidw	\$5 16 \$5 \$9 14 9 16 \$16 14 16 16	94	384 4 8	500 Scept 600 Scott 900 Scott	Paper \$1512 1 Herr \$1414	39 41 15½ 15½ 14 14 34 34	444
iotations in cent 5400 Abibbi Pr	ts unless	marked	\$		14000 D 70700 O 173200 D	leriun lotasco	\$5 \$11	4 11 <b>4</b>	512 114	- <u>-</u> - <u>-</u> -,	59300 Mackenzle 37100 Macm Bl	\$54, 54 <sub>2</sub> \$174, d17		23	500 Seeps 300 Seeps 500 Shelk 200 Sheri	Gen SS San A S41 s Her G SSSs	74 8 414 414 84 84 84 84	+19
17700 AgnicoE.a 18200 Air Cda	56 <sup>5</sup> t 500	6 <sup>1</sup> 2 495		+1 <sub>0</sub>		omtar in lu Poot A	k \$7		7 h	-15	99400 Magna IntA	\$29 28 k 515 l <sub>2</sub> 15 k 519 k <sub>3</sub> 19 k <sub>3</sub>	29 1 <sub>4</sub> -	ել 25 ել 366	400 SHL 200 SHC 800 Sono	Syst \$814 Graup \$17d aGod 20	101 <sub>2</sub> 101 <sub>2</sub> 171 <sub>2</sub> 26	+1 <sub>2</sub>
4100 Albria En 500 Albhrüas 13700 Alcan Al	\$12 \rightarrow \frac{1}{2}	22% 2	24 34 +	.,	32500 Es	cho Bey M	\$7		778	+18	1300 Mark Res 1800 MDS Hith B	490 480 \$14 % 14 %	490 14 4		1900 ğazılı 1900 Şpar 1400 Shele	Aero \$15%	16 16 15½ 15½ 375 385	-lg
000 Am Barr 300 Alco CI 1	\$15 p			-lg  -lg	1500 E	men De mpire Mev	\$10	ել 10 ե	104	-13 +12	100 Metali Min 3200 Minnova 16500 Milei Corp	\$15 <sup>1</sup> 4 16 <sup>1</sup> 4	1614	4	800 Teck 1400 Teles 1200 Them	ilobe \$13	21 4 21 5 1276 13 014 144	-1 <sub>0</sub> +1 <sub>0</sub>
7300 Bk Montr'i 15200 Bl Nova Sc	522 %		2½ -	-1 <sub>8</sub>		Vatents'		90 290 1 <sub>2</sub> 81 <sub>0</sub> 1 <sub>4</sub> 131 <sub>0</sub>	812	+18	14100 Malson A 35300 Moore Corp 10000 Muscocho	\$31½ 30½ \$22½ 21½ 7 8½	21% -	15 55 154 20	200 Torol 500 Torol 500 Times	ar 6 521 19	184 184 21 214 84 84	+49
9200 BC Sugar A 17600 BCE Inc 9500 Belinoval	5451 <sub>2</sub> 5451 <sub>2</sub> 131 <sub>2</sub>	45% 13 1	45 +	-1 <sub>4</sub>	600 Fr	si Mara /	\$10 \$22	1, 10 h	10%	-38	22700 Net Bk Car 1400 Nema Ind A	59 87s 564s dis		171 L	600 Trans 600 Trans 500 Trims	can P \$18	13& 13% 17% 18 d7% 7% 445 450	
5700 BOR A 88000 Bessies 6 6200 Bow Valley		1512 1		-1 <sub>8</sub>	45000 Fi	rancoNe	an 17230	74 20	30%	+12	13600 NorandsFor 132800 Noranda 300 Noren8 12	\$8 75 \$195 195 \$25 25	7% - 19% -	78 I -	100 Trize 1806 UAP 1100 Unio	A 115174	17% 17% 15% 15% 27% 27%	+59
1000 By Canada 2900 Bramalea 1400 Brascan A	5 S12	12 76	12 - 60	43 43	100 G 9500 G 3000 G	iendia A Ilamie Gi Irandes	\ S Id 4	14 (3 17 (3 15 40 37 137	17 410	-5	3600 NorchMVtg 84200 Nth Tele 4000 Northgete	\$20% 20% \$42% 41% 90 90	20% - 42 1 90	%   1 +4   3	300 Unite 1000 UtdD 1800 Unive	omind \$10%	27 \ 27 \ 193 103	+5g -1g +1g
15200 Breakward 58700 BC 761 4300 Bruncor	or 40 \$21 <sup>1</sup> 8	46 20%	46 30% 1	·	900 G 346300 G	IW Lifeo	o 514	<b>եր Ի</b> վել	57		255100 Nova Corp 200 Novsco WSv 11500 Numac Oil	\$61 <sub>2</sub> 81 <sub>8</sub> \$91 <sub>2</sub> 91 <sub>2</sub> \$51 <sub>4</sub> 5	9	a. 1 18	900 Vicer 400 Wicer 700 Wests	agi E \$164	490 495 16 <sup>1</sup> 2 16 <sup>5</sup> 8 37 37	-la -la
(0200 Brunswick	510 <sup>1</sup> 9	10 %	iô.		100 H.	larnoSt Lawher S	M 524	74.5	24 4	+4	69200 Ones Corp 8400 Oshawa A	\$83 <sub>4</sub> 83 <sub>4</sub> \$203 <sub>4</sub> 203 <sub>4</sub>		6	SOO WIC	a Geo \$371 <sub>Z</sub> B \$141 <sub>6</sub> rights or restr	14 lg 14 lg licted voting	rights
19900 CAE Inil 18700 Cambior 5300 Cambridge	56-ja \$9-7 <sub>9</sub> pa \$15-ja r	- 94 4154: 1	914 - 514 -	- Ig - Ig - Ig	30800 H 55900 H 138600 H 300 H	emio Gov	d \$10 \$10	ել 97ց Է 10% Է 15%	10 h 10 h	tq	33600 PWA Corp 130400 Pagurian A 300 Pancin Pet	\$514 6 355 340 \$24% 24%	355 + 24% -	1 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0		MONTRE	AL	
19700 Cameco 18000 C'boll Res 14600 Canimp®k	\$27	97 26 % 2	55 55 -	40 - la	56300 H 500 H 900 H	lorsham ludsBaylil ludsonsB	- 59	راو م <u>لا</u>	9 V 5 V 28 V	-14 -14	12900 Pegasus 5000 Pioneer Mi 121400 PlacerDome		18 <sup>1</sup> 2 13 <sup>5</sup> 4	4		pm prices	-	
4300 Can Occid (3400 Can Pag 200 Can Tire	\$17 kg	17 lg 1 19 lg 1	- والازا والاوا	- La	2300 in 27800 in	mp (Out	\$36 \$44	16 36 h 14 44 h 37 36 h	35 % 44 ½	***	45100 Poco Pet 7600 Power Corp 27500 Power Fin 7000 Quebecor A	500 % 20 ½	18 <sup>1</sup> 4 -	եր 13	1900 Berris 1900 Camil 1700 Canis		1512 154 11 151 261 261	4
36500 CanTire A 31560 Can Util A 4000 Can Util B 500 Canamar	521 \$21		21 30 30	1	5100 In	nt Coron ntMure (1 ntprvPlp)	10 1186 T 117	1. 3. 17] 25. 24]	177	-4	10900 Ranger Oil	58% 6%	84	34	1000 Cank 1100 Case 1800 Demi	larconi 5163 <sub>2</sub> ades 583 <sub>4</sub>	164 754	- <b>h</b>
500 Canamar 800 Cantor 4500 CnPcFores 12900 Cara Op	328 / 5	28 kg 2	به يتاوي يا اي	-5	3300 In 2700 Iv	nvest Gr raco A	p \$	40 439	430	74	1800 Rayrock 300 Reed Sten 300 Reitman S 60000 Ren ssence	28 \ 6 \ 827 \ 27 \ 27 \ 27 \ 27 \ 27 \ 28 \ 28	273g	Ĭ   1		metint \$11%	117, 11%	i
100 Cascades 800 Cetanese 700 Cetal	38 l <sub>4</sub> 542 l <sub>8</sub>		8V 43 15			errAddi:			_	+4	63900 Repap Ent 121300 Rio Algori 64900 RegersComB	296 290	293 174		300 Telep	100 A \$1412	124 124	
4300 Cinepi Odn 6600 Cotal Fd A	305	300 500	900 500	+6	27 100 L/ 152100 L/ 100 L/ 2200 L/		\$17	4 175	27 % 914 1715 1115	+4a -1a	300 Rothmans 126600 RoyalBiCan u 192700 Ryl Cak Na	\$20 85 \$26 \ 24 \ 248 24 1	24% - 24% -			stron \$17%		+1 <sub>6</sub>
1000 Copulatog		643	4	·	74300 L	aldlaw i	B \$11	i 115		-14	300900 RylTrusteo	96% 6b	514	A Fot	Pr 25780 I	(716,300 share		
EW YORK							_			INDI	CES	Jul	Jui	Jul	Jul		1992 LOW	_
SANOF MC	S Jul 24	23 14	Jul 22	Jul 21	надн		ow	HIGH		OW	AUSTRALIA AH Brūkanes (L/L/80)	1509		22 1607.2	21 1609.2	HIGH 144 50 (22/5)	1545.30 (	940
destrats ne desta			3277 61 101.35	. 3308.41 101.44	101.6	4 9	72.41 2/15 8.41	3413 2 U/6/92 101 6	12	1.22 17/320 4.99	All Gloring (1/1/80) AUSTRIA Credit Akulen (30/12/84)	716: 325 4	7 334.36	713.4 337.89	718 7 342.01	735.80 G/TI 458.57 (24/2)	325.47 12	ψn
ean.	1273 19	12 <del>69</del> 74			(20/2)	8 12	10/31 69.74 13/71	(24)7/9 (532.0 (5)9/89	1 1	10/811 2.32 7/32)	Tracks lader (2) (1911) TELGIUM BELZO (1) (191)	771.0		803.19 1145.35	811.95 E	1099.43 (2472)	1077 23	
	218.52	217 83	518 14		225.55 (3/1) 7's High 33	R	0 74 8/4) 3308 41	236 Z	1 48	0 50 14/32) 255 45)	Corporation SE CV1/839	308.4		308.92	309.17	365 29 (15/1)	388.46.0	ĄП
ANDARD				413.76		7 39	M.50	420.77	, .	40	FILANCE FILANCE	<b>696.</b>		7148	714.3 484.79	935 90 G4(2) 535 93 G7(2)	696.70 G	
gunals		483.31			(15/1)	7 47	6/4) 10 92 8/4) 12 4)	12/11/5 299 2 6/1/51)	2) CI	16/32) 16/32)	CAC GOOM (JU12/82) CAC 40 (JU12/87) GERMANY	476.4 1734.6	2 1734.56	491.52 727.49	1762.67	2077.PR GU/SI	727.49 C	2(7)
ancal SE Compesite	35.67 225.48	35 94 225 66	226.13		36 65 (10/7) 231.81	) 4	E 49 8/49 17.92	36 65 (10/7/9 (2)1.00	क क्ष	10/74)	FAZ Azulen (31/12/56) Commercitare (1/12/53) DAX (30/12/87)	639 9 1807 2 1610.4	@ JAJ340	649,04 1834,60 1628,22	656.32 1854.50 1659.77	75 3 015 20 0 0 05 1811 57 (25) 1811 57 (25)	1578.73 C	247)
es NH. Valor			383.17		418.95 112/20	) (2	64)  4 04  6 61	115/1/9 418 9 112/2/9	5) (25 5) (25 5) (25	14/42: 9.31 12/73)	Howe ROME Harg Sey Bank (31/7/6- THELAMO			(6)	6010.44	6162 53 (16/7)	601.76	
SDAQ Certane	565.61		563 88 17	568 63 Jul	644,93	2 54 ) (2 Jun 26	17,84 15/61	644 9) (12/2/9 (ear ag	<b>2</b> ) (31,	10,72	ISEO Oresali (4)1/860 ITALY Barksi Com. (64), (1972)	1267.1 406.3	6 406.07	409.76	411.71	1469.57 QT/U	1267.83	нηп
e Industrial Div Y	neld	3	ט	3.1	3	3.14			3.04		MIS George CZ/L/92) JAPAN NAME CLESS/497	797 15497 7	9 16039.94	15541.95	807.0 16002.41	23801_18 (4/1) 1763.43 (4/1)	797 00 0 15497 79 1196 19	
k P industrial dur. k P indi P/E ratio		2	48 50	2.6 28 9	H -	Jul 8 2 68 28 45			2 77 19.02	10.01	Toda Section (ALLIAS)  MALATSIA	1204 5 1771 5	5 1227 62 6 1782 92	175,70	1279 38 1822 23	Sold by OND	1771.56 (	2417)
ir nagi rje vetov	•	_									KLSE Composite (4/4/86) NETHERLANDO CBS TIJ, Rin, Gen (Ent. 19			608 79 289.6	605.16 292.1	119.06 (20(2) 314.96 (9/6)	546.63 C	9/I)
EW YORK	ACTIV Stocks		Chan	nge	CART			Millie			CBS AH SET (End 1983) NORWAY Duo SE (Ind) 12/11/839	17Ni	A 197.6	197 6	199.6	215,50 (26/5) 772,74 (18/5)	192.40 (	ėjų.
iday I Appl 10	traded 0,285,500	price 8%	on d	kay 1 <sub>4</sub>	Hew York		Jut 2	70 17		191.421 10,451	Handa Corp CV1/850	1443 1			1433 04	1880'42 (TTM)		
em Bark 1 ockbuster 1	3,291,600 1,805,100 1,630,000	445 345 115	- 1	li.	MASDAQ MYSE		71			168.350	SES AII-SIGNOTE 12/4/ 80UTH AFRICA				389.56 1121.0	47P'66 ESTUT	370,13 (	
1920 1 ( 1	1,596,600 1,537,200 1,334,100	291 <sub>2</sub> 931 <sub>2</sub> 9		կ 	iyana Fran Rises Falis	264		:79 <del>16</del> 0 139	2,293 917 763	2,296 644 1,059	JSE Gold (28)9/78) JSE leakstriai (28/9/78) BOUTH KOMKA'''	1122.0 4130.0	4160.0	4156.0	4213.0	MM:OD (NG	1006.00 ( 4130.00 (	
Nabisce 1	1,279.300	43 % 74 4 39 4	+ 11	la e	Unchanged New High New Loan	6		57 57 35	58 30	593 44 30	Nove Comp Es. 14/1/19 BPAIN Madrid SE (30/12/85)	513°			511.84 220.56	691.48 6420 266.51 (28/2)	213.26 0	
Agbisco I Domalés I Elect I	1,206,400 1,181,200					-					SWEDEN Affassarken Gen. 11/2/2 EWITZERLAND				880.50	2014.50 (11/5)	834.70 0	
Nabisco I Doralds I Elect I	1.206,400 1,181,200										Serie Barit Ind. (01/10/ SBC General (1/4/87)	A) 7146 607			811.4 616.0		748_90 601_10	S)D
Nabisco I Doralds I Elect I	1, 206, 400 1, 181, 200							1992			WHIGHTED Price CTO/LATA	4672.1 794			4159.02 794.25	5391.63 (30/I) 832.39 (7/II)	3978.87 (	
Rabisco I Soralds I Elect I Meters I	L 181,200	Jul	Jul	Jul	Jui			IPPE		rv .	Bangot SET LOGH(75)	/%	133,40	121.70			200 01 6	
Ashisco I Doralde I Elect I Elect I I Retors I Metors I M	1, 181, 200	24 L02.00 1	23_ 081.30	22 3124.U	21 3140.34	3238	HIGH 1.87 LL6/	נני	2828.26 1318.10		WORLD U.S. COMUNICION				491.0	345-70 01/0	467.50	
Adhisco I Goraldei I Elect I I Elect I I Metors	31 34 36 17	24 102.00 1 100.87 1 795 91 1	23 081.30 H12.20 798.20	3126.11 3412.10 1799.75	21 3140,34 3425,21 1803,04	3236 3666 1937	.87 (16) 00 (16) .99 (16)	תי עו	2828.26 3318.10 1727.04	(8/4)	II S. Captus INV.AV.L/T Erro Top-100 (Zid/e/40) "Saturday July 18. T	840.	4 845 11 d Prior 424	845,70 8.55, Kores	859.32 Comp Ex.	976-55 (25/5) 505-64. Signisted #L 15.0	840.14 C	24/71
Rabisco I Dornaldo I Dornaldo I n Elect I n Metors I  A MADA ORONTO  tens A Minerals seposta oportea ase values of all aronto Composit 3. + Eschwiden is	31 34 36 17	24 102.00 1 100.87 1 795 91 1	23 081.30 H12.20 798.20	3126.11 3412.10 1799.75	21 3140,34 3425,21 1803,04	3236 3666 1937	.87 (16) 00 (16) .99 (16)	תי עו	2828.26 3318.10 1727.04	(8/4)	Erm Tre-100 (Ziyle)400	840. aluen Weights calculation. es are 100 mar Gold = 255.7.	4 845 11 d Prior 424	845,70 8.55, Kores	859.32 Comp Ex.	976-55 (25/5) 505-64. Signisted #L 15.0	840.14 C	24/71
) Nabisco 1  cDonalés 1  en Elect 1	31 34 36 17	24 102.00 1 100.87 1 795 91 1	23 081.30 H12.20 798.20	3126.11 3412.10 1799.75	21 3140,34 3425,21 1803,04	3236 3666 1937	.87 (16) 00 (16) .99 (16)	תי עו	2828.26 3318.10 1727.04	(8/4)	m S. Caphu INIJULIA Earn Tep-100 (Inight ID **Saturday July 18. 7 § Subject to official in Base values of all look and DAX – 1000. ISS	840. aluen Weights calculation. es are 100 mar Gold = 255.7.	4 845 11 d Prior 424	845,70 8.55, Kores	859.32 Comp Ex.	976-55 (25/5) 505-64. Signisted #L 15.0	840.14 C	24/71
Address I Commission I I I I I I I I I I I I I I I I I I I	31 34 36 17	24 102.00 1 100.87 1 795 91 1	23 081.30 H12.20 798.20	3126.11 3412.10 1799.75	21 3140,34 3425,21 1803,04	3236 3666 1937	.87 (16) 00 (16) .99 (16) tandard and Mi	(1) (1) (1) Land Po- patreal intention. (c)	2828.26 3318 10 1727.04 or's - 1 Portfoli Closed	(8/4) (8/4) (3/4) (4/1/ (4/1/	in S. Capha val JULIV Erro Tap-100 Chip/vo "Saundra July 18. T & Subject to official Save valors of all India and DAX – 1,000, ISS Crossel del Universitati	840. ahesa Weightz ecalculation. es are 100 mo. Gold = 255.7,	4 845 11 d Prior 424	845,70 8.55, Kores	859.32 Comp Ex.	976-55 (25/5) 505-64. Signisted #L 15.0	840.14 C	24/71
Address  Consider in Elect. In an Elect. In Meteors In	31 34 36 17	24 102.00 1 100.87 1 795 91 1	23 081.30 H12.20 798.20	3126.11 3412.10 1799.75	21 3140,34 3425,21 1803,04	3236 3666 1937	.87 (16) 00 (16) .99 (16) tandard and Mi	(1) (1) (1) Land Po- patreal intention. (c)	2828.26 3318.10 1727.04 or's - 11 ortfoli Closed	(8/4) (8/4) (8/4) (3: 48d (6 4/1) (4)	m S. Caphu INIJULIA Earn Tep-100 (Inight ID **Saturday July 18. 7 § Subject to official in Base values of all look and DAX – 1000. ISS	840. ahesa Weightz ecalculation. es are 100 mo. Gold = 255.7,	4 845 11 d Prior 424	845,70 8.55, Kores	859.32 Comp Ex.	976-55 (25/5) 505-64. Signisted #L 15.0	840.14 C	24/71
Adhisce   1 Octable   1 Contable   1 Elect   1 Meters	31 34 36 17	24 102.00 1 100.87 1 795 91 1	23 081.30 H12.20 798.20	3126.11 3412.10 1799.75	21 3.140.34 3.425.21 3.1803.04 Common dices base Financial	3238 1 3466 1 1937 1 50; Sted 1975 and Trai	.87 (16) .00 (16) .59 (16) tandard and Min ansporta	(1) (1) (1) (1) (2) (3) (3) (4) (4) (5) (5) (6) (7) (7) (7) (7) (7) (7) (7) (7) (7) (7	2828.26 3318.10 1727.04 or's - 11 Or's - 11 Closed Closed Fr	(8/4) (9/4) (7/4) (1/4)	it 5. Ciptus wil JULIV Em Tre-100 Chipvio "Sauntar July 18. T  § Subject to official Base solves of all indi gas bux - 1,000, 155 Circuit ful Wavenillain  L. Active Sto  July 1982  Toubles Corp	Biochis Citys	A 84514 d Prior 424 spt: Assista 1 JSE 26 loc	845.70 8.95, Kores raded, BEL satrials – 26	859.32 Comp Ex.	976-55 (25/5) 505-64. Signisted #L 15.0	840.14 C	24/71
Labisco II orraldis II Elect II Metars II Meta	31 34 36 17	24 102.00 1 100.87 1 795 91 1	23 081.30 H12.20 798.20	3126.11 3412.10 1799.75	21 3140,34 3425,21 31803,04 Common dices base Financial	3238 1 3666 1 1937 1 50; Sted 1975 and Trail	.87 (16) 00 (16) .39 (16) tandard and Minsporta	(1) (1) (1) (1) (1) (2) (3) (4) (4) (5) (5) (6) (7) (7) (7) (7) (7) (7) (7) (7) (7) (7	2828.26 3318.19 1727.04 Portfoll Closed	(8/4) (8/4) (8/4) (7) and (4/1) (4) (4) (4) (4) (5) (6) (7) (7) (7) (8/4)	it 5. ciptus wil JULY Em Tre-100 ChipMo "Saturday Jely 18. 7 § Subject to official in Base spless of all field and DAX - 1,000, JSS Closel for Universitate Land Marchitecture of the Company Active Sto	840.1 shess Weights calculation. Gold = 255.7, Ciks	4 845 Ltd Prior 424 d Prior 424 gg: Austria 1 JSE 26 loc	845,70 8.95, Kores Inded, BELL Istriah – 26	859.32 Comp Ex.	976-55 (25/5) 505-64. Signisted #L 15.0	840.14 C	24/71

(Excuse us for asking)

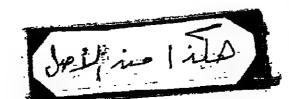
## IS THIS YOUR OWN COPY OF THE FINANCIAL TIMES?

Or do you rely on seeing someone else's? The FT is read by four times as many senior European businessmen and women as any other international newspaper.\* Make sure you're one of them by getting your own copy daily.

OUR SPECIAL INTRODUCTORY SUBSCRIPTION OFFER IS AVAILABLE NOW!

For more details please call Gillian Hart in Frankfurt on 49 69 156850.

FINANCIALTIMES



FRANCE Constituted

FRANCE Constituted

FRANCE Constituted

Fried

1992

Fried

1992

Fried

1992

Fried

1992

Fried

1992

Fried

1992

Fried

1993

Fried

1994

Fried

1994

Fried

1995

Fried

Fried

1995

Fried

1995

Fried

1995

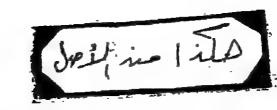
Fried

Fried

1995

Fried

Fri Listy BA
Amer
Cultor
Esso R
TERRANDE | Free
KOP
Metra B Free
Kola B Free
Robia B Free
Robia B Free
Robia G Free
Stockmann
Tampella Free
Onlas B C Free | 1980 | 1992 | 1993 | 1993 | 1994 | 1994 | 1995 | 1994 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | 1995 | Price Krentr 261 333 528 528 528 529 117 209 122 209 158 158 210



#### FT MANAGED FUNDS SERVICE

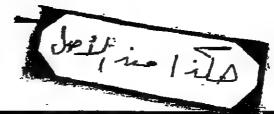
● Current Unit Trust prices are available on FT Cityline, call 0891 123456. Calls charged at 35p/minute cheap rate and 48p/minute at all other times. To obtain your tree Unit Trust Code Booklet call 071-925-2128

ķ	AUTHORISED UNIT TRUSTS	in insile Co Am	onal Tet Mangant Ltd (8900)F Cartman	54 74 54 74 04 76 401 35 4079 VACS	52 170 1 170 1 101 0 13 0770 clemen U		Lyston Writ Peterharmagh PEZ 6/FV 16-72 World 16-72 World 16-72 World 16-73 17-70-70 17-72 World 16-72 World 16-73 17-70-70 Interview 6/6 17-73	Jan. Com. Bed Spirit and City- Comp. Price Price Service City- Comp. Restort Pris. 34.8 habita or 6000 759 CV 0.5 46 5 16 120 pt. 54 12.0 56 01 5 34 5 16 120 ce. 54 12.0 56 07 5 34 5 16 120 ce. 54 120 56 07 56 16 16 16 16 16 16 16 16 16 16 16 16 16
	ALB Link: Treet Massagers Limited (1889) 51 Belenet Ma, Brairing Mitch 1885 187 (1985 297) All crosed buream = 0 1524 2 110.1 115 90 200 60 All crosed buream = 1 1504 0 170.1 189 0 124 189 All Carbon Citt. 3 1 10 10 11 12 14 16 16 14 18 All Carbon Citt. 3 1 10 12 11 12 14 16 16 14 18 All Carbon Citt. 3 14 10 12 11 12 14 16 16 16 16 16 16 16 16 16 16 16 16 16	Byrcanet Link Tist Myard List (1446) F  Byrcanet Link Perions Six DTM GIR 9771-955 August 155 August 155 August 155 August 155 August 155 August 156 Augus	See Of 117 a 117 a 178 a 1		*** The Community of th	150   150   160   151   160   160   151   160	185.5   Ind 3   179 0   D0 (4)23   Cartenary   186.2   157 2   177.2   1   58   11   1   1   1   1   1   1   1   1	## 12
	Galla & Fland Sm. 6   2013   201 mm 177 mm 178 mm 187 mm 1	The CCP Plant Book CC 400 NF CC Court In St.	## Tat. Mayes Link C14663## September 1   10   10   10   10   10   10   10	Admin. 40 10-21 40-42 10-71 - 0-422 10-71 -	G Unit Tist Phagmet List (1990S)F METEORY (1990B) and hite, Sagarde St (CLAZA) (171.580 2000   Microso its Sagarde St (CLAZA) (171.580 2000   Microso its Sagarde St (CLAZA) (171.580 2000   Microso its Sagarde St (	And the state of t	- 5 to 22.2 20 32.2 22 135 62 14125 17U  - 5 to 22.2 20 32.2 22 135 72 14125 14125 14225 1	55   47 40 47 40 50 000 00 00 00 00 00 00 00 00 00 00 0
,	UK Growth Res	Gill Unit Humagers List (1800) F  55 - FO Ber 188, Manchenge Mel (Mel Col. 1877 5866) Mills State 1878 5876 1876 1876 1876 1876 1876 1876 1876 1	The second secon	rx their Tet Marges List (19905);	### ### \$2 ### \$	355 25 56 55 59 81 227 94007 (C Essens 6 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	Preve Limit Managers Lid (1400)F poor London CCL2 1PD 071-028-077 27 Life 549 pp. 48-576-33 bound 48 Li Li Roy 12-59 48-576-33 bound 48 Li Li Roy 12-59 48-576-33 bound 48 Li Li Roy 12-59 48-576-33 bound 48 Li	Transis Lini (1400)F no Long ECV and (1400)F no Long E
	Cash   10 20 25 25 25 25 25 25 25 25 25 25 25 25 25	Carmon Fund Managers Life (1286)   Struggers   71 Olympic War, Viennite, Har etts   72 Olympic War, Viennite, Har etts   73 Olympic War, Viennite, Har etts   74 Olympic War, Viennite, Har etts   75 Olympic War, Viennite, Har etts   76 Olympic War, Viennite, War,	The control of the co	mer in	ober an Tib. 11 14 6 5 14 6 5 15 5 17 1 16 13 1 19 Eyrs in Richard 27 24 14 15 5 16 5 1 10 77 1 10 7 10 7 1 10 7 1 10 7 1 10 7 1 10 7 1 10 7 1 10 7 1 10 7 1 10 7 1 10	Creek Serving S. 1 300  14.2 State 2 40 6 7 17) 2 7 24076  14.2 State 2 40 6 7 17) 2 7 24076  14.3 State 2 40 6 7 17) 2 7 24071  14.4 State 2 40 6 7 17) 2 7 24071  14.5 State 2 40 6 7 17) 2 7 2 17 2 17 2 17 2 17 2 17 2 17	6 33 % A 37 % A 52 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	\$\frac{4}{5}\$ \text{ 47.5 } \text{ 47.5 } \text{ 47.5 } \text{ 47.5 } \text{ 47.6 } \t
	Accord Unit Trust Managers List (1100)F  White Mart Vs. Landen Bridge SE 100 (771-607)  Bhacal Ya	35 (* coupting Street, Management 12 244** (A.) 724 t.a.m. Emplified Street, Management 12 244** (A.)	Unit Treat Managers List (1400)  Partic in: Apparent   Dec	THE PROPERTY OF THE PROPERTY O	### 143 75 43,76 49,845 49,545	Section   Sect		\$\\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\
•	For Angle on Prochange Capital ADDRING Unit Trumbs List C1480FF 39 Foundam S., Marchester III 246 39 Foundam S., Marchester III 246 30 Foundam S., Marchester III 247 30 Foundam S., Marchester III 247 30 Foundam S., Marchester III 247 30 Foundam S., Marchester III 248 30 Foundam	April   Apri	\$\frac{5}{26.6} \frac{59.2}{29.2} \frac{50.2}{20.26} \frac{177.20}{20.26} \text{int Si Uh Ende (a) \$\frac{1}{2}\$ \$	I Unit Test Mingrest 1.5st (065-9)F 7 Mount 9, Leview 87, DAT (777-481-12)2 6 Court 1 7 Mount 92, Leview 87, DAT (777-481-12)2 6 Court 1 7 Mayor 109 Shellel old 9 Court 1 7 Mayor 109 Captal Roser OT Mayor 10 Mayor 109 Captal Roser OT Mayor 10 Mayor 109 Captal Roser OT Mayor 10 Mayo	Signature   Sign	- 6 706 7107 75 at 1 27 lands - 6 705 71 07 75 at 1 27 lands - 6 705 71 07 77 77 at 1 2 lands - 6 70 64 100 66 78 1 2 lands - 6 70 64 100 64 78 1 2 lands - 6 70 70 70 70 70 70 100 100 100 100 100 1	\$4   3   42   43   65   66   24   67   1642)	44 9 5 46 77 47 22 50 22 1 7 4 40 44 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4
	Union Henry   20   20   20   20   27   28   28   28   27   28   28   28	Complement   1	mai Minmount List G-600 P  Veri, Rimor EII List G-600 P  Technorus are fertament List G-600 P  Technorus S, Srimons G-772 Z2777  Veri, B-900 S-27 S-9 771 P-91 S-91  Gardena S-512 S-90 P 771 R-91 S-91  Gardena S-90 P 771 R-		194 de les - 97 CC EF CC - 17 CC - 18 D CC   18 CC -	cm . + 13.27 53 73 97 16 it at leasts	Sec 15 Sec 15 Ad Sec 1	1051 1074 1074 1076 1076 1076 1076 1076 1076 1076 1076
ND.	Sanative Co.  Micross (John J. 1)  July Cornell Co.  July	Cachid Jeans, Furtherly Source, Enthourage, 123, 224 44777  Cach Acc. — 7 57,25 57,25 57,25 187,25 1	The first state of the state of	1   1   1   1   1   1   1   1   1   1	Securities (DV15)M	m Foud Management Ltd (10001F To Memotic Res 11 17 and London Bridge SE1 077-407 Stape 11 Court for the Management Ltd (10001F To Memotic Res 11 SE2	55 (a) 24 50 22 4 45 7 10 10 10 10 10 10 10 10 10 10 10 10 10	1 (1) (2) (3) (1) (4) (4) (4) (4) (4) (4) (4) (4) (4) (4
		County of the co	33.45 24 45 20 75 20 40 40 40 5 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Rambard Tel Mangard Life 1073-007  Enthery Ellis 1210 0000 Creams  The 19 27 22 20 10 10 Creams  The 19 27 22 20 10 10 Creams  The 19 27 22 20 10 10 Creams  The 19 27 27 20 20 10 10 Creams  The 19 27 27 20 20 10 10 Creams  The 19 27 27 20 20 10 10 Creams  The 19 27 27 20 20 10 10 10 Creams  The 19 27 27 20 20 10 10 Creams  The 19 27 27 20 Creams  The 19 27 27 27 27 27 27 27 27 27 27 27 27 27	AMBERT AND		5-5 (all 10 - 10 - 10 - 10 - 10 - 10 - 10 - 10	5 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
		Canasare Unit Trans Mayor 1.56 (2200) An San San San San San San San San San Sa	117 22.1 19 36.00 mail	The state of the s	mint	### Company of Commercial Union   If it was blance in the company of the company	1.56 1.41 6.3 4.1.53 4.61 6.55 22 1.19.0 Authors 5. 1.57 6.1 6.1 6.1 6.1 6.1 7.1 1.19.0 1.19.	Contemporary (1971) 27 (27) (1971) (1
•	L hore St. Haucherter Mich 348	City Flumechi Unit Trunt Houge 1dd 10-0050 21. See See 1 1 with Hard Virol, London Bridge, 951 1971-907 9846 21 with Hard Virol, London Bridge, 951 1971-907 9846 21 with Hard Virol, London Bridge, 951 1971-907 9846 21 with Hard Virol, London Bridge, 951 4515 1971-9846 21 with Hard Virol, London Bridge, 951 4515 1971-9846 21 with Hard Virol, 10	Leaten (C2 M 200* 077, 577, 592)  Who D Naho Sando He He S 15 M 588  Who D Naho Sando He He S 15 M 588  Who D Naho Sando He He S 15 M 588  Who D Naho Sando He	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		Call Unit Magns Lid (1400)F  Acids Read, Numbers State  All Vinites Services Se	\$6. \$6.07 \$6.02 \$0.52 \$1.77 \$1.50 \$1	20
	Capital	Cop Fin Inst	1.   1.   1.   1.   1.   1.   1.   1.	Section 1 to 1	1	\$\frac{1}{2}\frac{1}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac{1}{2}\frac	3 29 79 are 76 52 56 62 27 12256 De Acourt  3 107 29 10 12 12 12 12 12 12 12 12 12 12 12 12 12	34   198   133   36   135   36   36   36   36   36   36   36
	Bank of Ireland Fund Myrs Ltd (1000)F 36 types 54 Looks EAR IRE 977-40-5877 57	Autor Green Green St. 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1	1   1   1   1   1   1   1   1   1   1	Manuel Ma	Corner I ministed i 150 Mar 187 (15 A 1894) 1942 P. Unit 187 (15 A 1894) 1953 (15 A 1894) 1	36 23 9 23 23 23 62 96 100 93 144 Weet Mil.  36 23 9 25 25 27 72 2 20 1196  36 34 9 34 9 27 72 20 12197  36 44 9 34 9 27 72 20 12197  36 44 9 34 9 25 2 80 12 12 12 12 12 12 12 12 12 12 12 12 12	The ST App 21 40 22 in 17 20 in 18 20 i	nws" Final Magart (865934) has been \$250 to \$3.00 to \$4.00 to \$3.00 to \$7.00 to \$4.00 to \$5.00 to \$3.00 to \$7.00 to \$4.00 to \$5.00 to \$5.00 to \$5.00 to \$7.00 to \$4.00 to \$5.00 to \$6.00 to \$7.00 to \$6.00 to \$6.0
<b>~</b> :	The Gard State   15   161   17   17   18   18   18   18   18   1	VA A. Deverom 17.1. 11. 11. 11. 11. 11. 11. 1	Service Servic	1	The state of the s	Fig. 3.6 (2.1.2) to book in 20 to 55 (4779). The second one state of 1.5 (1.5 (1.5 (1.5 (1.5 (1.5 (1.5 (1.5	6   1   25   2   26   27   26   26   27   26   27   26   27   26   27   26   27   27	6197 pd 49 20 100 7 ft 31 (erg5) m Fand Hingt List (1200)F in the Ratten from mort Ease 27700 co. 110 a to 0.341445 E. L. & C. (1000)F in the Ratten from mort from the first th
	De find Improved. 4 37 /9 44 67 40 77 41 577 4017 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Coll Manual 1	100.2   100.2   113.0   13.00000   100.0   100.0   100.0   13.00000   100.0	34 of 32 of 32 of 30 34 cone 37 Victoria	20 Cambrillo Torrico, Edinburgh (19.1) 479, 4646, 2010 by white to freed - 54, 579 22 507 224 402.59 (19.3) 511.00 by white to make 54, 56 for the state of the state of \$10,000 by the state of 0 - 54, 54 for 54 for 57 57 221 121 (19.5) For Markette of property 54, 30 on 30 one of 2000, 75 for the fore Markette of 19.13, 53, 64 for 16.50 by \$1,30 by the state of 19.13, 53, 64 for 16.50 by \$1,30 by the state of 19.13, 53, 64 for 16.50 by \$1,30 by the state of 19.13, 53, 64 for 16.50 by \$1,30 by the state of 19.13, 53, 64 for 16.50 by \$1,30 by the state of 19.13, 53, 64 for 16.50 by \$1,30 by the state of 19.13, 53, 64 for 16.50 by \$1,30 by the state of 19.13, 53, 64 for 16.50 by \$1,30 by the state of 19.13, 53, 64 for 16.50 by \$1,30 by the state of 19.13, 53, 64 for 16.50 by \$1,30 by the state of 19.13, 53, 64 for 16.50 by the state of 19.13, 53, 64 for 16.50 by the state of 19.13, 53, 64 for 16.50 by the state of 19.13, 54 for 16.50 by the sta	\$4   467 6 476 5 501 2   3 50   123 6   2 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	From Survet States   Income	5) 34 7 34 7 33 7 2 54 6 6 3 5 4 5 4 5 4 5 5 6 6 6 5 5 6 6 6 6 6 6 6
	Barring Famil Banangers Ltd (1270)H P7 Ser 156 Occumina, Kon SET 472 65, 459 9022 Annex Lan Georgia L. S. L. S.	On Accessed 1	Similar 10: 40: 20: 20: 20: 20: 20: 20: 20: 20: 20: 2	14 15 15 15 15 15 15 15 15 15 15 15 15 15	Plant Managers Led (1900)4 UT strain.  Plant Managers Led (1900)4 UT strain.  Strain St. (704 945 UT - 200 2000) UT Employ  1 (22.7 122.7 13) 6 to 04 946 UT Sensity Constitution St. (704 945 UT Se	699 30 49 19 109 327 474652 48 formula fam. Tel: Managers (120016)  100 Tel: Managers (120016)  101 102 Managers (120016)  103 27 03 27 48 546 05 54992 56700  104 103 10 109 66 57 44111  104 105 103 10 109 66 57 44111  105 105 105 105 105 105 105 105 105 105	24 73, 17 34,00 150 set	100 57 102 6 76 6 42 211 24 4025 156 72 66 76 6 42 211 24 4025 156 72 65 76 6 94 221 12 4 4025 156 72 65 76 94 20 10 10 10 10 10 10 10 10 10 10 10 10 10
	1 Stambou & Lauter (Erns 218 - B7) 574 29234 2 Larramen - States 2014 221,775,75 (Mal) For Battampate Progresses are 21 January Plans Develo Bulphia Unit Tot Migra Ltd. (0905)F	TO THE CONTROL OF THE PROPERTY	**************************************		ide to pricing of Authoris	del es de l'in SS 310 des Cristos Managed e 113 e 117 220 (24) no 31 31 41111 e 117 220 (24) no 31 31 41111 e 117 220 (24) no 31 31 41111 e 117 220 (24) no 31 31 4111 e 117 220 (24) no 31 31 31 31 20 31 120 120 120 120 120 120 120 120 120 12	Mysel Lpl (1969)F  whenh Pix OHE Prixes (773) 795000 intend Text.  PRODOD Bashing (773) 795000 intend Text.  3 (4) 16 10 16 42 70 13 181223 intend Green's Research  3 (4) 16 10 16 4 70 70 18 18 12 13 intend Green's Research  5 (13) 6 17 50 72 4 2 5 5 6 12 15 12 15 intend Green's Research  5 (13) 6 17 50 72 6 2 5 5 12 12 15 12 12 intend Green's Research  6 (4) 6 6 6 6 6 6 6 6 6 6 7 6 6 7 7 7 8 5 0 7 18 18 18 18 18 18 18 18 18 18 18 18 18	1
	wine Sensi Sei. 54, 102 9, 102 9, 102 90 100 00 100 100 100 100 100 100 100 1	The second secon	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	The Control of Control	and by choley appending and informations country, recompany, and to informational and an incompany of the commentation and the control and the company of th	It reason valuetaes. The purple interest milities before politication and may int complete because of an thin membership or a protect to a local. The throughers may that at a in regions, and may make at interest  PRICOSSI: The pulser P devices are that at the purse to be per to the formation can be one to be per to the formation can be one to be per to the formation can be one to be per to the formation can be one to be per to the formation can be one to be per to the formation can be one to be per to the formation can be one to be per to the formation can be one to be per to the formation can be one to be per to the formation can be one to be per to the formation can be one to be per to the formation can be one to be per to the formation can be one to be per to the formation can be one to be per to the formation can be one to the formation can be per to the formation can be per to the formation can be performed to the formation can be presented to the formation can be presented to the formation can be performed to the formation can be performe	10   10   10   10   10   10   10   10	6 28 6 29 11 32 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
P S S S S S S S S S S S S S S S S S S S	of Action 1 17-197 77-19 ED 122 Dellaries 7 1 16 16 17-197 77-197 ED 122 Dellaries 7 16 16 17-197 77-197 ED 122 Dellaries 7 16 16 17-197 77-197 ED 122 Dellaries 7 16 17-197 77-197 ED 127 Dellaries 7 16 17-197 77-197 ED 127 Dellaries 7 16 17-197 Dellaries 7 17-197 Dellaries 7 16 17-197 Dellaries 7 17-197 Dellaries 7 17-197 D	Re-og Paulion File UT Myrs LLB (1999)*  1-80 Corolin, Lundog EC393(L) 677-283,4944 Sections only 02	77. MANUAL OFF-762 2000 Care insure control for the control fo	14 21 2 21 24 2 2 2 2 2 2 2 2 2 2 2 2 2	the parameter in specific and only appropriate in the parameter in the par	or di ce particus er sere bing.  Ser Les impression de la consequent  contract encoded by the consequent  contract encoded by the consequent  the major maser import and minutes  to distance in the description (and  Ty often on acceptance in the contract encode in the contrac	31.758 3.797 3 187 75 32 60 56 56 60 60 60 60 60 60 60 60 60 60 60 60 60	6(2)4 105 07;-290 55:1 )[79 ] 100 0 100 4] 3.6 [4] )[106 ] 100 0 175 00 36 (2) Tet Ment Ltd (0730)H
	mountaine to 19 02 19.02 20 0 11.55 0000	inch tenter 1997 35 78.86 22.4 [2.5] https://doi.org/10.1001/1	34 ILG ILG I SARAKSAN American (Committee) 14 ILG ILG II SARAKSAN Engant Social Saraksan ILG II SARAKSAN Engant Social Saraksan ILG II SARAKSAN Engant Social Saraksan ILG II SARAKSAN ENGAN ENG	STICK OF MAINTAN	(a) - (197) to 1-400 legals. (b) - 1-491 to (c) 1.00 America over 1-64 - 1781 to extend to State America	the same that Treat	15 (40) 41 D 33 (75) 00 (40) 0 (15) 0	16 (3) 12 (3) 400 537 745 65 1444 16 44 57 45 13 47 40 15 16 1444 16 34 16 14 40 57 17 13 16 17 1444 16 34 16 14 40 57 17 13 16 17 1444 16 22 13 16 17 12 15 16 17 13 16 14 16 22 13 16 13 16 17 13 16 17 13 16 14 16 22 13 16 18 18 18 17 13 16 16 16 16 16 16 16 16 16 16 16 16 16

FT MANAGED FUNDS SERVICE

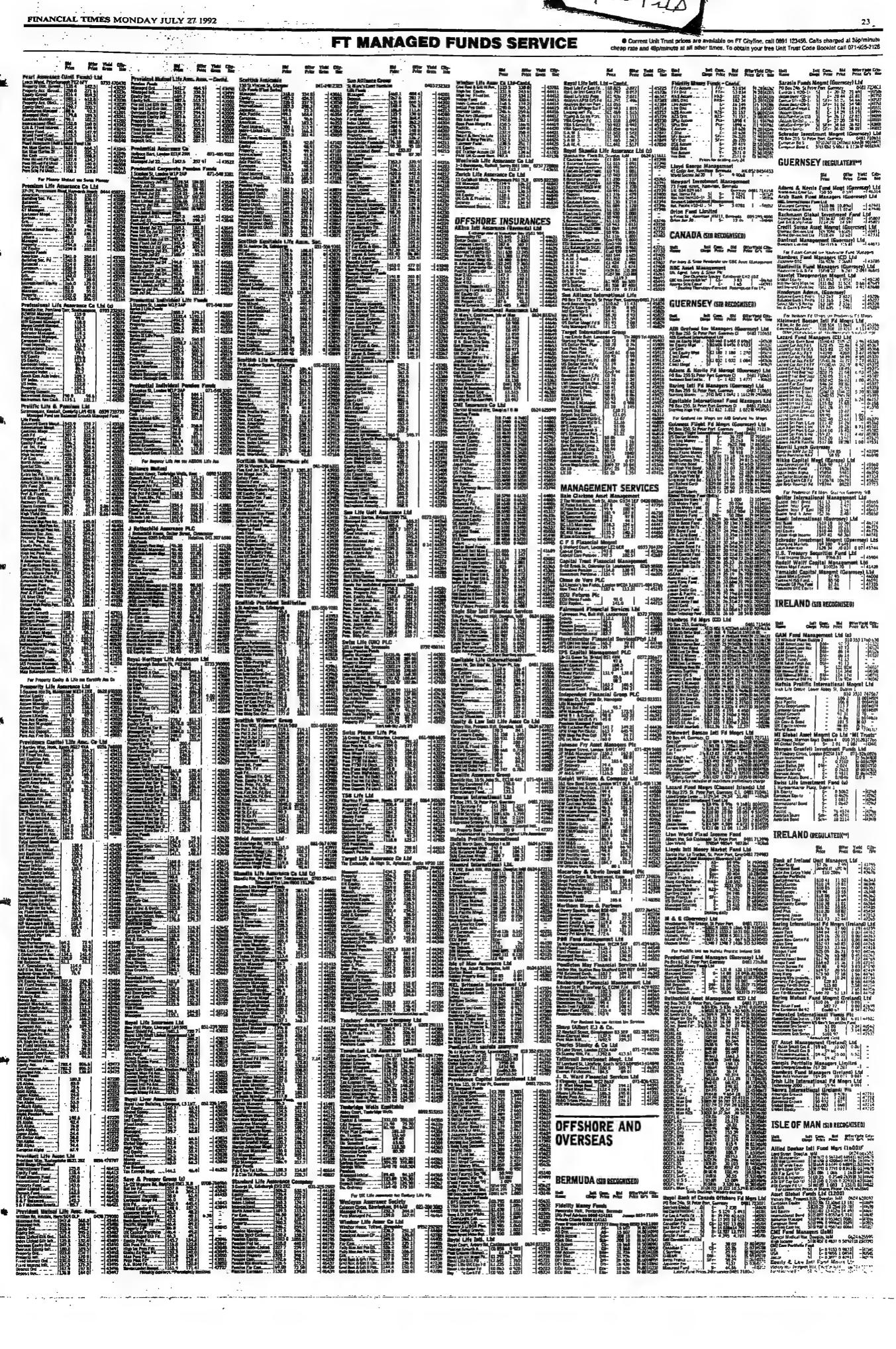
• Current Unit Trust prices are available on FT Coyline, ca. 985: 123456. Calls charged at 350 minute cheap rate and 48p/minute at all other times. To obtain your free Unit Frist Code Boosiet call 071-925-2126.

	FT MANAGED FUNDS SI		Rid Other Wald City-
Stewart Ivory Unit Tst Mgrs Ltd (1200)H Lazard Investors Ltd 12	41770 Princrity Light.35 72.1 72.4 42.00 feed by Vits 22.3 3 41725 Princry Astant. 104 1 109.5 4742 Feed by Vits 22.3 3 41726 Enerty Light.3 99.0 189.2 44.00 feed by Light Science 25.1 7 41726 Enerty Light.3 12.5 14.3 1 12.5 1 14.5 1	200 595100 3 Firstery Aug. Lordon. EC2 M2*A. 677.438.5757 1135/ministrated 4 distriction of 224.56. 542.56. 54	attand on service Section of the Contact of the Con
Geram United	41738 Fed Int Capital 129 4 120 44303 Steph American 156 1 1 41731 Fed Int Account 150 1 100 6 47823 Sedican 200 3 41731 Fed Int Account 150 1 20 1 20 4 44303 Sedican 150 1 20 1 20 4 44303 Sedican 150 1 20 1 20 4 44305 Sedican 150 1 10 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	22.8	11 193.3 4 42488 F 26 19 20 20 20 20 20 20 20 20 20 20 20 20 20
Comparison 02-77-227-230   Destinon 02-77-25-1310   Mr. Eguiter 1 and 21   122   122   123   124   125   1	- 43105 Married Ser 1 173.2 276.0 410.2 Feating Gaptains 1.1216 1 41027 Security Gaptains 1.121	27.2 4003 Settler Fred. 379-8 402.0 4250 Rank Hrs. 73,0477 No. 108. 108. 108. 108. 108. 108. 108. 108	Control   Cont
Sun Life of Canada Unit Mgrs Ltd (1000H   Martin Events   Ma	41793   Blassigh Pun Accum	337 6   42228   Maneged Series A   397,7   420 9   42238   Maneged Series C   226,0   248 7   423 9   42312   Managed Series C   226,0   248 7   423 9   42312   Managed Series C   226,0   42228   Managed Series S   768,0   745,3   42313   Managed Series C   227   428 9   42312   Managed Series C   227   428 9   42312   Managed Series C   227   428 9   42313   Managed Series C   227   Managed Series C   227   428 9   42313   Managed Series C   227   428 9   42313   Managed Series C   227   428 9   42313   Managed Series C   228 9   428	195
Cap Preserve No. 5   34 - 66   37 - 694   25 - 41 - 79    Euro Greenth Acc. 64   53 - 68   57 - 480   69 - 54   441    Euro Greenth Acc. 64   53 - 68   57 - 480   69 - 54   441    Fur Lies Greenth Acc. 64   53 - 68   57 - 480   69 - 54   441    Fur Lies Greenth Acc. 64   53 - 68   57 - 480   69 - 54   441    Euro Greenth Acc. 64   53 - 68   57 - 480   69 - 54   441    Euro Greenth Acc. 64   53 - 68   57 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68   57 - 68    Euro Greenth Acc. 64   53 - 68    Euro Greenth Acc. 64   54 - 68    Euro Greenth Acc. 64   54 - 68    Euro Greenth Acc. 64   54 - 68    Euro Gr	46102 Charakt	78.2 4224	### 100   10
Admin 5 Rankeys Raid Matter Brest and Easts  Gentley G27 (22) 200  Gailty Dist. 61: 399 5 407 2 430 913 2014351  Freshing Det. 1012 8 123 91 2014351  Freshing Det. 61: 112 8 123 91 2014351  Extension Det. 6	- 60.255 Everyment - 77 8 81 9 - 44.055 int. Nat. Crev. Nt. Pt. 159, 00 44.056 Fee Cast. 164.5 378.3 41.057 int Nat. Crev. Nt. Pt. 159, 00 44.056 Fee Cast. 175 8 155.1 41.055 Flex. Nt. Pt. 16 Fee Cast. 175 8 155.1 41.055 Flex. Nt. Pt. 16 Fee Cast. 175 8 155.1 41.055 Flex. Nt. Pt. 16 Fee Cast. 175 8 155.1 41.055 Flex. Nt. Pt. 16 Fee Cast. 175 8 155.1 41.055 Flex. Nt. Pt. 16 Fee Cast. 175 8 155.1 41.055 Flex. Nt. Pt. 16 Fee Cast. 175 8 155.1 41.055 Flex. Nt. Pt. 16 Fee Cast. 175 8 155.1 41.055 Flex. Nt. Pt. 16 Fee Cast. 175 8 155.1 41.055 Flex. Nt. Pt. 16 Fee Cast. 175 8 155.1 41.055 Flex. Nt. Pt. 16 Fee Cast. 175 8 155.1 41.055 Flex. Nt. Pt. 16 Fee Cast. 175 8 155.1 41.055 Flex. Nt. Pt. 175 8 155.1 41.055 Flex. Nt. 175 8 155.1 41.055 Flex. Nt. Pt. 175 8 155.1 41.055 Flex. Nt. Pt. 175 8 155.1 41.055 Flex. Nt. 175 8 155.1 41.055 Flex	1373 Garaniel Se 8 124.7 131.3 -4250 Installation (A)	577.2 4 2202 Permiss W only Rection 100 4 100 6 457.10 427.4 4227.4 4 2203 Instituted Treat Feating Agencies 111.2 2 120 2 45.745 201.0 100.1 10
Co Accum 6 152 34 153 67 163 691 0141455 Constitution Barciays Life Accur. Co Life	41,000   10,000   1	4.704 Interest Sep A. 16.6.4 175.2 - 4256 Interest Sep III 1.6.7 175.2 - 4256 Interest Sep III 1.6.7 175.2 1	120.0
158 General   1511 07 213 11-227 051 3 64-1467   158 General 158	1770   Dentified Investment Plant   Plant	Addition	27 0 - 2786 Da Accessor 10 10 10 10 10 10 10 10 10 10 10 10 10
Environmental fire of 17 69 40, 41 32 50 c 30 sales in section at 2 2 30 5 30 37.9 by Section 5 30 3 3 3 4 3 3 5 1 3 2 30 1435 Perp. Sec. 1 30 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	1775   Cherical Medical Investments Group   Hangel Otton   220.7   41795   Hangel Otton   4	22.6   Grices Cuby 12	1   1   1   1   1   1   1   1   1   1
Target Trest Mayor, Hamming SP10 IRE Charling Place Andrew, Hamming SP10 IRE Annier Charling Place Andrew, Hamming SP10 IRE Annier Charling Place Andrew, Hamming SP10 IRE Annier Charling Place Andrew Charling SP10 IRE Annier Charling SP10 49 7 Policy Charling SP10 IRE Annier Charling SP10 49 7 Policy Charling SP10 IRE Annier Charling SP10 49 7 Policy Charling SP10 IRE Annier Charling SP10 49 10 10 10 10 10 10 10 10 10 10 10 10 10	- 4333 Rept American . 2018 2145 - 42019 Rept Panis Repair Inhibit Account Inh	Color   Colo	Th.5   CZMCI   PAM Life Asparance Ltd   CTMCI   CTMCI   CZMCI   PAM Life Asparance Ltd   CTMCI   CTM
Preference Stairs 5 14 37 19 374 20 5279 35 1457 Eurical 129 1 46 9 0 46174 See Car's 6 Ree Fg. 306 31 335 97 18 Carcul 5 18 13 18 13 18 77 77 20 18 18 18 18 18 18 18 18 18 18 18 18 18	1995   1997   1998	10   4   40   70   60   70   70   70   70   70   7	398.6   Constitute   107.9   107.5   108.1   108.2   108.0   108.3   108.1   108.3   108.1   108.3
Gloan Matasset Ive 61,00 of 107 % Lis. 71 - 50 above value First Research Ive 61,00 of 107 % Lis. 71 - 51 above value First Research Ive 61,00 of 107 % Lis. 71 - 51 above value First Research Ive 61,00 of 107 % Lis. 71 above value First Research Ive 61,00 of 107 %	41700   Descrit   123.75   130.28   45757   45557	Color   Colo	102.41
Gald & Van Rossures 5 25 72 25 72 30 5310 000 1151 AEGON Life Assurance Co CUIC Life Assura	Second   Company   Compa	10   10   10   10   10   10   10   10	2002 - 42006 Peur Far East Gerki. 207 9 18.6 - 43107 2013.4 4200 Peur Far East Gerki. 207 9 18.6 - 43107 2013.4 4200 Peur Fand Internet. 465.6 400 1 - 43107 2013.4 4207 Peur Internet Act. 207 5 202 7 - 43111 2013 2013 2013 2013 2013 2013 2013
Bullations Fortfullo   6 (6) 57 87 724 9 1772 40 7782	1.312 6442 Uff IN A central 123.4 15.5 42245 General Pertiniis Life Innoce 42245 Uff IN A central 125.4 15.6 42245 Uff IN A central 125.6 42245 Uff IN A central 125.6 42245 Uff IN Central 125.6 42245 Protectie In In Inc. 125.6 42245 Protectie In In Inc. 125.6 42245 Uff IN Central 125.6 42245 Uff IN Central 125.6 42245 Uff IN United Uff IN Un	Pile Prov. Int   Equaty Acc	#372.2 4283   Part Uniformal Morel.   116.8   122.9   47976   #373.1 42905   Part Uniformal Morel.   116.8   122.9   47976   #373.1 42905   Part UN Service
Por Tyndail top Angles	April	Col.	97.4 - 47080   De Priory, Priory Pt. Hischin, \$35.20W   0462.422422   157.3   - 47081   De Priory, Priory Pt. Hischin, \$35.20W   0462.42242   De Priory, Pt. Hischin, \$35.20W   De Priory, Pt. Hisch
	Text   Triple   Tri	Column	100.4   -47086   48 Gracetarich St. Lumber ECLE 2011   971.423 4200   1513.5   -47080   1645.0   164
## Capter   124   202   203   22   24   24   25   25   25   25   25	1979   1979		2-6 - 42921 Far East
Cert. Bd. of Fig. of Church of Englands: 1   100   1	Algry   Algry   Algorithms	2330   Life Franks   Life Fr	Panice Co Lied Sport Floring - 77.5 4 33.92 43.93 43.9
Balanced Green	August   Poster   P	E. Liul Which Open Acque	2 Signifule character provide, processory Fund. 25.7 d 25.
Charity Equity Inc 92.46 93.47 4 62 47745 Clit Equity Equity Acc 92.56 93.47 4 62 47745 Clit Equity Equity Acc 92.56 93.47 4 62 47745 Clit Equity Equity Acc 92.56 93.47 4 62 47745 Clit Equity Equity Acc 92.56 93.47745 Page 101 2 101.5 93.47745 Albany Life Assurance Co Libit Equity Fund in Acc 100 4 101.5 93.47745 Albany Life Assurance Co Libit Equity Funds Mingrs PLC Chemity Funds Mingrs PL	1972   International   1770   183.4	77 46002	47517 Nerwick Union Life Intervence Sec. 47504 Nerwick Union Life Intervence Sec. 47505 Survy Street, Servick RPI 1965 0603 622200 Uniform 1965 0603 0603 0603 0603 0603 0603 0603 06
Fledgefing Charrity Portfolia   121-25   124-24   125   12	41907   Start Fund.   1598   484.3   42178   Fund Interest for   484.7   484.3   484.7   484	4245   6.0 sept   74.5   74.	100.00   1
Amer levind Eart Jul 22   1579 41   100-04   2594   406/25   Bert Blief Chip Accos   195 1   205 31   -4 1705 City Of Earthwest Life Assessment Later Indeed Eart Jul 27   604 104   416	January Field.   108.00 77230   15157   Meants of Gub Secureur Green   106.7 211.3   106.7 211.3   106.7 211.3   106.7 211.3   106.7 211.3   106.7 211.3   106.7 21.3   106.7	Ber Account 1988 6 945.9 42769 MEL Britannia Assec Cy Selection 1988 1988 1988 1988 1988 1988 1988 198	100   100
Foreign & Calculat Unit Management 1.16  Datascer Acc Jul 14. 148 8 154 9 4.30 - 16 Allower Property 1.10  Estancer in 18 11 148 0 154 9 4.30 - 16 Allower Property 1.10  Funds in Courte  Foreign 18 12 12 12 12 133 4 12 13 14 12 13 13 12 13 13 13 13 13 13 13 13 13 13 13 13 13	44399   Pon Hill American.   121.6   24.6   24.7   25.6   44.77   44.77   44.77   44.77   44.77   45.6	42785 Special Str. 22.35 34.07 42775 Barriers Herpd Life. 92.7 4705.1 Enrique Find. 13.27 44.20 42776 Finding Herpd Life. 92.2 42776 Finding Herpd Life. 92.2 42776 Finding High Life. 98.2 4278 Findings Life. 98.2 4278 Findings Life. 98.2 4278 Findings Life. 96.3 4278 Findings	136.5 43077 Int femily want 126 62 133.50 40255  435.6 15007 Family want 126 62 133.50 40255  40.4 1500 Family want 126 62 133.50 40256  40.4 1500 Family want 126 62 133.50 40256  40.4 1500 Family want 126 62 133.50 40256  40.4 1500 Family want 126 126 126 126 126 126 126 126 126 126
•	Jest in lite		



#### FT MANAGED FUNDS SERVICE

● Current Unit Trust prices are available on FT Cityline, call 0691 123456. Calls charged at 3op/minute



-----

24

FIMANAG	ED FORDS SERVICE	cheap rate and equilibrium at the control of the character of the characte	
Uset Init Case. Bid Offer Yield City- Name Over Price	and SICAV(u) Frier Frier Gran live	Bid (Hier Yield City- Price Price Grass Rose  bles & Income Fd (Cayman)  Gothal Asset Management - Control  GAN High Yield  GA	Debut Investment Management Let 45:12 Cros-Gotte Cry 12:76 12:77 -14:74 45:13 Cros-Gotte Cry 13:76 12:72 -14:74 45:13 Cros-Gotte Cry 13:76 13:74 45:13 Cros-Gotte Cry 13:76 13:74 45:13 Cry 13:74 13:74 13:74 13:74 13:74 13:74
PC Box 52 drap 52 Depoils 16.21	0.544 - 1602 Frontier 331,69 33.48 0 31 44975 BAY Jot 23 1 542 - 9377 Genzal reductinas 331,59 33.48 0 31 44976 BEA Associates 1 0.35 - 1035 Light Selection 331,59 15.34	SS.40 45146 GAM Red America PG. 51.00 22 CAM Record Mile US. 1100 24 CAM RECORD MILE U	Chility Rahamos Ltd.  Side Control of the Control o
PU 30x 173 Douglas Johl (2024 1239 1 12871-974785) USS Care Script	17136 164098 Fav Annus Intl Bond Fond (at)  Mild Robert Intl Bond (at)  Mild Ro	mk & Trest Ce Ltd	Special Committee   12 to   14493
13   15   15   15   15   15   15   15	54 - 5553 Worldwide Growth 7.44 7.81 - 47933 Global Class B Jun 3	20   59 00	## ## ## ## ## ## ## ## ## ## ## ## ##
Active Counter	41 - 1975 H. C.M. OM-Carz. Surpeys 105-36 - Chrysolic leading in 15-2 - Chrysolic lead	7.   \$7.91   147116 GAM Boort 5 0rd   \$133.88   147116 GAM Boort 5 0rd   \$137.12   147116 GAM Boort 5 0rd   \$137.12   \$7.00   \$137.12   \$7.00   \$137.12   \$7.00   \$137.12   \$7.00   \$137.12   \$7.00   \$137.12   \$7.00   \$137.12   \$7.00   \$137.12   \$7.00   \$137.12   \$7.00   \$137.12   \$7.00   \$137.12   \$7.00   \$137.12   \$7.00   \$137.12   \$7.00   \$137.12   \$7.00   \$137.12   \$7.00   \$7.0	Pacific Growth Fund \$15.14 ( -145694 5157) Pacific Growth Fund \$15.1
Security Francis   50.96   111   0.01   47.33   Homograph in Co. (m. 10)   103   105   107	H. C. M. Entro-Bend . Enably 12 103 17 In Order See See See See See See See See See S	1510.40 10.52 - 45500 Ground betterminent Plas Page	ASTOO Petrus Fund Scientism Limited 37567 Depart of Fairms 37567 Depart of Fairms Petrus Heldings & Pierson (boy Par Meldings W. 517717   45598 Learned La Maria W. 547717   45598
UP Git & Fid lipt Delium Depoint 50 of 74 4 4011 Fe East Landau 1 124 2 1156 4 1241 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	22.57730 00 (461) International Speciality Fund (a) 1 45305 Instantable (15 poly) 2 473-489 6825 INVESCO MIM International Limited international Union (15 poly) 2 473-489 6825 INVESCO MIM International Limited	S10.37   10.46   45516   Green Way Guaranteed Ltd   -	Pertuguese Intertment Fund Ltd
Cold   Price 2010   State   Price 2010   State   Sta	15 Al   16 A	Lid   \$42.85   -  4905   Hornis Land   Tit	High for GRIMA 12. \$9.55 - 45448
Bit Global Funds   Limited	Light Interestinate Limits   September	THE ARSET Management 1.4d   Haussmann Hidgs, NV Caracass   1.1   1.1   1.2   1.1   1.2   1.1   1.2   1.1   1.2   1.1   1.2   1.1   1.2   1	1743   Generation Group
Inst. Currency   If 1.5 of 1.5 1   1.5 of 1.5   1.5 of 1.5 of 1.5   1.5 of 1.5 of 1.5   1.5 of 1.5	1 6932 - 6273 Martin San Faul Exc. NY to 1 4545 Ross Con Bet Jul San Gord	The India Magney Fond NV NAV-India Magney Fond	See   State Strategies   Ltd
JERSEY (SIB RECOGNISED)  JERSEY (SIB RECOGNISED)  JERSEY (SIB RECOGNISED)  Appropriate Industry (4 of 7 to 34) - 47796 Search Nat Econty 17796 Search Nat Econty 17797 Search	To 20 Foods Reported  - 4575 Care S	ute foreitari PA Juan Grant Cab	2174 MAU -1 46164
A18 Fund Managers (CD Ltd  OF Jones Are Goals Fe  Jones Are Goals Fe  OF Jones Are Goals Fe  Jo	1	20, 53.04 - Santanata 240 Street 1 - Santanata 250 Street 1 - Santanata	Currency C Survey   Sec.   101.16   -  42.74
September   Sept	1.440 - 47312 Cass 8 10.50 - 48865 Emanagh Buranda Fu. 1.4440 - 4731 Burrit Lyock Markingani Jancetment 1.5572 - 47314 Perifolios Escalty/Correspinis Series 1.4272 - 47314 Emand Stanting Perifolios 10.40 Emanagh Marking Emanagh Ma	52.05 11.56 14.55	Republic Laire And the Albert 100 3-4 house Albert
Steining Sord   3/2	Care	2020   2020   2744   Jardine Fleening Unit Trints Ltd   2744	Schroder Japanese Warrant Fund Bellene NW 16 21   \$1.08   - 4.1601
Facinity 0534 70400   February 100407   Februa	1.64 AP   2002   1.65 A   10.34   -4752   1.65 A   1.65	10.27   10.2	December   Feb.   St. Od   S. 11
Ferring Sond 51: (2.170 1.790 1.395) CALLESS AMERICAN SON MAN	Int SA (u)   Fig. Milit as INVESCO MILIT   Green US Detect.   Green	Family   F	1876   1876   1877
Diameter   17   17   17   17   17   17   17   1	Section   Sect	Admirton Granth 74 St 77 11 16 4 4 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	Argentian for Jul 23 \$10 83 44,807 86,218 86241 NAV Jul 23 \$1,7 47 -453.18
Arrente Fd 5 1 812 - 1052 For 1 8 9 72 - 2579 Frank	1.072 D. 29 (294) Perfolic A Ser		Seminar Securities (Bermuda) 1-1d -1d7471 Seminar Laboratory (Bermuda) 1-1d7471 Seminar Laboratory (Bermuda) 1-1d4504 Seminar Laboratory (Bermuda) 1-1d4504
Every port (State Fe ) 0.00 0.00 100 Fe   1.00 0.00	200 C 2016/50	Nanagement   Asose   Cestral	Start Smalter Companies Fund Ltd  70.07 Start Smalter Companies Fund Ltd  80.07 Start Smalter Smalt Sm
Supplied December 2	[[] [[] [] [] [] [] [] [] [] [] [] [] []	Levestreet True   10 Dollar 38 Jul 30   128 37   17   17   17   17   17   17   17	Secieta Geserale Negretary   12.5 62   46404
Dellar Card. 3 15 07 4 07 2 4 07 2 4 07 2 4 07 2 4 07 2 4 07 2 07 2	10.00 Considered Management SA (sc) System Control San (sc) San (sc) System Control San (sc)	165.79	Telesco Franci Managers Limited Telesco Franci S7.36   -  43644 Tallesi Franci S7.36   -  43644
Westerline of the State of the	SELFTECH SA  OF Viola City-SCIFECH SA  OF SCIFECH SA  Standiffand  Sta	10.10   10.2	Templetus Galbraith & Hernberger Ltd Giord inc. Lety 22 199.6 10.07 - 146592 The Thai Development Capital Fd MAY Sel 21 199.6 10.07 - 165165 The Thai Development Capital Fd MAY Sel 21 199.6 10.07 - 165165
His American Eary 56 59 794 4 794 10 415 0 00 6830 Fig. Exercise Edy 5, 18 225 8,124 8 903 10 00 4830 Fig. Exercise Edy 5, 18 225 8 903 10 00 4830 Fig. Exercise Edy 5, 18 225 8 903 10 00 4830 Fig. Exercise Edy 5, 18 225 8 903 10 00 4830 Fig. Exercise Edy 5, 18 225 8 903 10 00 4830 Fig. Exercise Edy 5, 18 225 8 903 10 00 4830 Fig. Exercise Edy 5, 18 225 8 903 10 00 4830 Fig. Exercise Edy 5, 18 225 8 903 10 00 4830 Fig. Exercise Edy 5, 18 225 8 903 10 00 4830 Fig. Exercise Edy 5, 18 225 8 903 10 00 4830 Fig. Exercise Edy 5, 18 225 8 903 10 00 4830 Fig. Exercise Edy 5, 18 225 8 903 10 00 4830 Fig. Exercise Edy 5, 18 225 8 903 10 00 4830 Fig. Exercise Edy 5, 18 225	446.70 Equity Herdit. 51.90 1.31 47473 3.45. Europe (Ball) Equity U.S	State   SA	Compared
US Dollar # 9 0539 62 39 422 37 4270 Global Car Portrollo . 5 2.530 2.744	46073 Templeton Werkwise Envestments  4073 Templeton Werkwise Envestments  4073 Templeton Werkwise Envestments  4115 Growth Patients	net CCD List    S187296	Thames Currency Feed Ltd
Lityles Death Carl Off 1 September 2 (1) May 12 (1) A Smith Carl Off 1 September 2 (1) May 12 (1) A Smith Carl Off 1 September 2 (1) May 12 (1) A Smith Carl Off 1 September 2 (1) May 12 (1) A Smith Carl Off 1 September 2 (1) May 12 (1) A Smith Carl Off 1 September 2 (1) May 12 (1) A Smith Carl Off 1 September 2 (1) May 12 (1) A Smith Carl Off 1 September 2 (1) May 12 (1) A Smith Carl Off 1 September 2 (1) May 12 (1) A Smith Carl Off 1 September 2 (1) May 12 (1) A Smith Carl Off 1 September 2 (1) May 12 (1) May 1	-4590   Class B-1.5   59,75   41225   Fire Arrows Chile   16225   AAV Jul 22   AA	Fixed Ltd   140027	TANK
Prudential Fund Managers (Jersey) Lbd   3-25   1024-004   3-25   1	av (a) Unibant SA, Frenthampy I (a) Frankfurt Truck II Europea Equity SA, Frenthampy I (a) Frankfurt Truck II Europea Equity SA, Europea Equity SA	S10.09	
Gort Sea Pd 435-55 56-54 56 9216 0316974 Australian Blond 45 5-544 Nagon Warrant 5 156 1771 177 End Series Countrie Clarific Clarific Clarific Clarific Countrie Clarific C	Unico Fridantial Services SA LEX  Collection: Bab Lin  44995 Unico invest Fund. DB09,45 71,80 3 001 45005 Gitt High-income.  44995 Unico Envest Fund. DB09,85 71,80 3 001 45005 Gitt High-income.  44999 Wardley NAPT (Internitopys) SA  44999 Wardley NAPT (Internitopys) SA  641 Approach	FF132-0   -43027   -45027   -45027   -45027   -45027   -4502   -45027   -4502   -450	25   25   25   25   25   25   25   25
European	World Bord Fued   \$25.19 27.51 0.73 4594 GT Applied Science	1.00   1.00	Tetter G-5 Unit Trust (Japan) SAV July 8
JERSEY (REGULATED)(**)  **JERSEY**  **JERS	44852 Yamaichi Advanced Technology Fund, GT Berry James Fot III. 44853 Yamaichi 1992 OMME Fund SICAV (p) GT Berry Intel SICAV	11.04 1.04 1.05 1.05 1.05 1.05 1.05 1.05 1.05 1.05	Montpage (2)
Ven	### 61.4.A. Bond Investments A6	\$1.50 \$1.636 \$7.94 \$1.636 \$7.94 \$1.636 \$7.94 \$1.636 \$7.94 \$1.636 \$1.42 \$1.636 \$4.732 \$1.636 \$4.732 \$1.636 \$4.732 \$4.7	Adm Warrants 320.06 11.50 42487  Sevenan Warrants 34.79 5.04 42481  Rusaged 550.14 9 42481  Private Gesten St. 550.14 9 44487
Authorists	460% OTHER OFFSHORE FUNDS of Technology Fates. 460% OTHER OFFSHORE FUNDS of Technology Fates. 47340 47340 May 10 M	57.62 - 45524 Low Right Fund 002210 300.0 - 4555 \$45.91 - 45056 High Peri Fund 002700 271.0 - 4557 5- 4507 Beat Fond 00432.0 183.0 - 4557 517.04 - 45058 Second Low Right Fd. 00179.0 1950.0 - 4557	Vertington For Manys (Barranda) Ltd
US Delicy Legality 199 bit 10 fast 17 fast 17 fast 17 fast 18	144937 ATSP Management Ltd   Sale on Proof	577.74 - 4594 Bens Fei (Carried Berry 1940) - 4656 577.50 - 4597 Musel Fei (Carried Berry 1940) - 4656 579.50 - 4597 Musel Fei (Carried Berry 1940) - 4656 579.50 - 4597 Musel Fei (Carried Berry 1940) - 4656 579.50 - 4597 Musel Fei (Carried Berry 1940) - 4656 579.50 - 4597 Musel Fei (Carried Berry 1940) - 4657 579.50 - 4597 Musel	X X X X X X X X X X X X X X X X X X X
		5- 10.57 -41567 Destrainers Toll 17.00 1400 -4453	deshposted 5 with no profit ratios to 100 collects, visite % allow for all horing engages to 10.5 collects, visite % lorger and the second profit of the sec
CRC Armon Trained Comments Fund List"   Sale Credit   Sale	147858 Improved International Class B. 1855 14.08 - 424-03 GAM Asstralia - 21.05 - 446-77 GAM Estate - 21.05 - 446-77 GAM Estate - 245-73 GAM Employa - 245-	1300   1300	2 Yield before Arrive Un. 15 Controlled. 5 Subjected. 5 to Charitable bedies. 4 Yield Cohemisters. 20 City available rates of RAV borders and Cohemisters. 20 City available rates of RAV borders are followed.  (**) Funds are Sile recognized. The regulatory authorities commission; brained Controlled Funds. 20 Controlled Savie of Releast; late of Controlled Ravie of Releast; late of Controlled Ravies of Releast; late of Controlled Ravies of Releast; late of Controlled Ravies of Ravies (Ravies Ravies Ravies). Most Life of Lamonton.
Jest -	1 ALD TOTAL	-1 448K	- The state of the

Money Market

MONEY MARKET FUNDS

Courts & Co

Great Lity-Met CAR Her

#### FOREIGN EXCHANGES AND MONEY MARKETS

Whither the dollar?

Despite the concerted central bank intervention to keep the dollar above its all-time low,

14-

77.42

14 (45

-.:

- 4

PHOLADEL E31,250 (c

The upside for the dollar could be strong. The currency was boosted at the end of last week by figures for durable goods sales, which rose 2.3 per cent in June after a revised fail of 2.2 per cent in More The 2.2 per cent in May. The central bank intervention also made clear that the Federal Reserve is unwilling to see the currency dip below the all-time

E 136 M	EW Y	ORK	cui
July 24	Class	Close	Ţ.,
1 month 1.0 3 months 3.1	5-1.8945 9-1.07pm 9-3.17pm 0-11.1pm	1.9155-1.9 1.09-1.0 3.21-3.1 11.35-11.: 17 to the US (	Spec U.S Dol 2por Camadia follor Beigian
STERL	MQ IN		Danish D-Mari Swiss F Dutch G French
8.30 am 900 am 11.00 am 11.00 am 1.00 pm	873 873 873	91.9 91.9 91.9 91.9	Ves Pesela Mo 1980-1 Average

DENC	R CURRE	MOTER
Arue	n CUMPE	M-CES
Jul 24	E	5
Argentino	18850 - 18880	0 9500 - 0.9510
Auguralia	25490 - 25510	1.3390 - L3400
Brazil	7535.55 - 7539.90	3457.75 - 3757.7
Fluidand	77845 - 7.8075	4,0930 - 4,0960
Hone Koop	D46 300 - 302 100 14 7200 - 14 7389	7.735 - 7.785
rang rang	2735 nm	1435.00
Keren(Seh)	1492.75 - 1516.80	783.70 - 789.90
Kumait	0.55265 - 0.55355	0.29040 - 0.2900
Lycembourg	56.45 - 50.55	30.55 - 30.65
Malaysia	47505 - 4,7665	25000 - 25016
Merco	D/12.00 - D/M.50	DT04-20 - 3TT07-2
N.Zealand Saudi Ar	7 1400 - 2 2200	1.7405 - 1.8249
Singapore	3 0730 - 3 0500	1.6165 - 1.4175
S.Ai (Carl _	5.205 - 5.2560	27615 - 27630
S.Af (Fri)	7.5.MG - 7.5035	3.9605 - 3.9840
Taiwan	47.40 = 47.60	24.90 - 25.00
U.A.E	6.9940 - 7.0715	3.6715 - 3.6735

*Floating rate.	Iran Off	icial mic	C120,30 S	13.95	All Still ricks are for July 23
ÇH <b>ICAGO</b>			et Jerjan		grade or wheel the contract
11.5. TWEATUR \$100,000 \$25		(CBT) 47 74	•	: -	TO SEE THE
Sep Blec Attar Jon Sep Dec	103-21 102-14 101-09 100-05 97-03	104-02 102-36 101-19 100-06 99-04	105-13 102-07 101-04 100-01 99-00	163-36 162-20 161-161	See 0.7000 0.7010 0.7777 Dec 0.7792 0.7020 0.7000 Mar 0.7792 0.7000 0.7010
Dec Mar Jun Sep Dec	84 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	95-28	95-25	96-13 97-17 96-24 96-02	PRINTEDER MAIN (MAN) MIXES,000 S pay INI Chair Righ Low
Dec ILS, TREASION Sim points of .	93-06 7 MILLS 108%	(()441)		45-15	Sep 0.6979 0.6671 0.6383 1 Dec 0.6496 0.6578 0.6498 1 Dec 0.6496 0.6496 0.6495
Seo Circ.	15 15 15 15 15 15 15 15 15 15 15 15 15 1	16gh 96.85 96.69 96.64	% 82 % 64 % 57	86.44 86.44 86.44	Complete of 189%
CRATTURE AND IN Se per 1			7020		Se 96.55 94.54 96.50 Dec 96.15 94.19 96.10 Mary 96.15 94.06
Sep Dec.	1.6872 1.8560	High 1.8964 1.8660	1.8854 1.8540 1.8740	Pres. 18954 18544 18364	588 585 577 59 554 559 540 Dr. 458 917 945 148 943 944 942
SWISS FRANC SP 125,000 5				<del></del> .	STANDARY & POORS 540 THINK SSAO times links
Sep Dec	Clase 0.7455 0.7364 0.7284	High 0.7570 0.7462 0.7330	0.7444 0.7353 0.7365	775.8 0.7538 0.7443 0.7360	Closi High Low See 41125 41190 409.50 / Dec 41175 412.40 410.65 / 412.45 413.00 410.95 / bm 413.45 413.00 410.95 /

•					
who	do	not	want	to	-
anoth	or T.	omha	rd rate	Higo	36
			iù iac	1 100.	

about what the US currency will do next, writes James Blitz.

Will do next, writes James Blitz.

Will clearing beak base lending rate 10 per cest from May 5, 1992

The reasons to be bearish Johnson to be bearish about dollar/D-Mark remain strong, however. They are the huge differential in German and US short term interest rates and the overshooting of the Bundesbank's M3 money supply target.

The reasons to be bearish Johnson 12855 2835 28475 2825 2423 24125 24225 24125

The preliminary estimate for second quarter growth in the US, due out on Thursday, will give some indication of whether the Federal Reserve is still justified to forecast US economic growth next year at 2'A per cent. The conference board's consumer confidence index, due tomorrow, will also be watched by the markets.

But with few important currency dip below the all-time low against the D-Mark of DM1.4330.

The dollar should get additional strength from this week's German cost of living figure, which is likely to show a fall in annualised inflation by 1 per cent to about 3.3 per cent. That could underline the case of those in the Bundesbank

But with few important indicators due in either the US or the UK in the next two weeks, the exact outlook for the dollar and sterling is uncertain. As one London dealer says: "I have very little by way of positions and little certainty of where things are moving. We could be in for one of those in the Bundesbank

CUHRENCY	MOVE		
Jul 24	liest of Explorer inter	Horper Granath Charges No	
erites 5 Dollar macian Dollar macian Dollar macian Schalles elejane Frank macian Krasse macian Krass	92.0 61.0 98.9 111.1 112.9 111.3 126.8 97.4 137.7	-200 -16.4 -2.5 -12.0 -10.0 -25.2 -10.7 -17.3 -17.9	
Morgan Guara 60-1982 - 100. Ba erege 1985 - 100.	ely change uk of Englan Tolas are for	s; . average d index (Base July 2)	

CUR	AEM	CY RA	TES	
Jai 24		Special * Drzwieg Ngwe	Europein's Develop Unit	•
sriting  3 Dutier Intellier S.  sterlant Sch  sterlant Sch	3.00 3.50 3.50 8.50 8.50 8.50 10.75 10.75 10.75 11.00 17.00	0.795514 1.44152 1.71296 19.0956 44.2186 11.8548 2.14519 2.41988 7.24436 1.626.90 1.62.280 8.44291 1.779711 1.779711 1.8992 NA	0.717566 1.17270 1.43173 14.3297 42.0219 7.25667 2.03984 2.30665 6.87772 175.085 8.02240 7.4068 1.28511 250.73 1.26511 250.73 1.26511 250.73	
Clarification communication co		mi kut da le UC šasti dodation. dy 23		

		***	1.1	T		_
	59-48 C	Street.		e files	11 :	1
		10.0	0			14
ĺ	- Con	O O	0.7841 2 0.7822	0.7797	0.7874	I
	Sep Dec Mar	0.780 0.77 0.77	2 0.7622 2 0.7610	0.7796	0.7862 0.7862	1
2	100					
3	MATERIAL SERVICES	E MAJEK (I				i
2		0.85	7 0.6671	0.6583	0.6675	٠
-	Sep Dec Har Jan	0.649	0.6578	0.6481	0.6573	1
ī	Jan	0.632	7	0.6390	0.6400	
5		-			_	
ņ	United States	4 100	-U.45 @	-	•	
5	الأم ملة	d 189%	High	197	Prev	
2	Sup Dec	4 188 X	High Sec. 54	96.50 96.50	% ES	
-	Sup palat Sup Dec Harris June	4 189% 96.1 96.1 96.1 95.4	High 3 94.54 5 94.15 0 94.15	%11 %66 57	46.53	
-	See Correction of Correction o	4 189% 94.1 94.1 95.8 95.4 94.5	High Sec. 54	95.00 95.00 95.00 95.00 95.00	% 53 % 17	
1444	Sim public Sim public Sim Jun Sing Jun Jun	96.1 96.1 96.1 96.1 96.1 96.1 96.1 96.1	94.54 94.55 94.55 94.55 84 95.50 84 95.50 84 94.76	%.06 5.70 95.40 96.62	% 53 % 17	
-	Sam pahal Sam Dae Mar Jon Sam Jon Stantovan Stantovan Stantovan Stantovan Stantovan Stantovan Stantovan Stantovan Sam	4 100% 94.3 94.3 94.3 95.4 94.3 94.3 94.3	# High 35 94.54 35 94.15 30 94.15 44 95.50 491.91 30 94.40 300 300 500	% II % 06 6 77 95 40 94.82 94.25	% 17 % 17 % 19 % 18 % 18 % 18 % 18 % 18 % 18 % 18 % 18	
		96.1 96.1 96.1 96.1 96.1 95.4 94.3 94.3 94.3 94.3 94.3 94.3 94.3 94	# High \$ 96.54 \$ 96.55 \$ 96.15 \$ 96.15 \$ 96.85 \$ 96.91 \$ 94.90 \$ 94	96.05 95.40 94.82 94.82 94.25 94.25	% 17 % 17 % 18 % 18 % 18 % 18 % 18 % 18 % 18 % 18	
	STANDAR STANDAR See Dec	42	High 15 94.15 10 94.15 10 94.15 10 94.15 10 94.91 10 94.91 10 94.91 10 94.90 10 94.9	96.01 95.06 95.40 94.62 94.64 94.25	%.17 %.17 %5.84 %1.70 %1.73 %1.38 Prev. 412.00 412.40 413.05	- KASSLLGCFT
-		4117	High 15 94.15 10 94.15 10 94.15 10 94.15 10 94.91 10 94.91 10 94.91 10 94.90 10 94.9	96.01 96.06 95.40 94.82 94.84 94.28 409.50 410.05	%.13 %.17 %.14 %.46 W.75 %.38 Priv. 412.40	

PRIA SE AS OFTICALS  Each per CD  Aug Sp	
Aus San - Get Dec Aus San Oct. Disc	_
Aug Sap Oct Det Aug Sap Oct Det Lib 2.55 4.05 4.05 4.05 4.05 4.05 4.05 4.05 4	•

3	POU	ND SPOT	- FORWAR	D AGAIN	ST.	THE POU	ND
	14.54	Day's	Otez	Date march	% 9.4	Three	91
	Cavada	19970 - 19170 22615 - 22825	189% - 1.90% 22635 - 2344	1.10-1.00cpm 0.92-0.25cpm	4 6A	3.20-3.17pm 2.77-2.65pm	6.71
æ	Metheylands, . Belgison Desmark	3.2075 - 3.2180 58.55 - 58.80	3 2075 - 3 2175 58 60 - 58 70 10 9625 - 10 9725	1 <sub>4</sub> -parcom 5-parcom	123	10-5pm 10-5pm 21-35-dis	0.54 0.51 -1.05
	tretand	1.0645 - 1.0690 2.8435 - 2.8525	1.0675 - 1.0685 2.8475 - 2.8525	i,-l iporedis 0:84-parepri i₄-parepri	022	PAT-0 DIE	015
h n	Portugal Spain	240.80 - 242.30 MO.95 - 181.80	241.25 · 242.25 100.55 · 101.55	80-158csts 44-52cds	깶	225-340d/s 138-152dis	-467 -320
e	Norway France	2157.35 - 2161.50 11.1700 - 11.2105 9.6065 - 9.6270	2158.00 - 2159.00 11,2000 - 11,2100 9,6150 - 9,6250	13-14 teels 1- various	35	M-314e 4-19th 4-19th	-547 -113 -013
n	Sweden		10.3350 - 10.3450	11-21-oreits	-2.10	45.5560	-200

CURRENCIES, MONEY AND CAPITAL MARKETS

DOLLAR SPOT - FORWARD AGAINST THE DOLLAR										
M W	Day's Spread	Close	the season	7.00	There makes	% E5				
K1	1.8970 - 1.9170	1995 - I 9005	1.10-1.08com	6.88	3 20-3 17pm	6.				
elandt	1.7745 - 1.7956 1.1886 - 1.1920	17795 - 17805	1 07-1 04epp 0.21-0.23clis	22	0.56-0.50gs	6.				
etherlands .	16720 - 16940	1,6900 - 1 6910	0.87-0.90dls		2.59-2.64(1)	-6				
<del>ساواة</del>	30.55 - 30.95	30.85 30.95	18.00-17.00mg	-6 41	46 00-49,00dk	-6				
carurt	5.7100 - 5.7750	5.7700 - 5.7750	3.70-4 Outerelis	-0.00	10.95-11 5505	-71				
eretary	1.4610 - 1.5020	1.4990 - 1.5000	0.80-0.81min	4.51	2.37-2.38Hs	-6.				
ertygel	126.25 - 127.20	127 10 - 127 20		12.74	365-380ds	-11.				
palo	94.60 - 95.50	95.30 - 95.40	79-82005	10.17	236-24Ldk	-101				
	TES - 1137.50	1135.75 - 1136.25		73	33 66-36 00ds 10-35-10-856s	-12				
ortoy	5.8305 - 5.9000 5.0100 - 5.0700	5.8950 - 5.9000 5.8600 - 5.0650	3 45-3.75creds 2 91-2 96ctts	133	Land 7/65	-71				
rance	5.3825 - 5.4520	5.4400 - 5.4450	3.87-4.12eresis	-8.81	11.60-12.05ds	-81				
1020	126.70 - 127.75	127.60 - 127.70	0.11-0.12yds		0.2b-0.27ds	-81				
1920 UST 10		10.5300 - ID.NWA	5.55-5.90grods	6.32	16 10-17 10-5	-6.3				
witzerland .	L3105 - 1.3300	L3290 - 1,3290	0 80-0.6266	-5.51	L70-L7368	-5.1				
	13575 - 13745	1.3610 - 1.3620	0 90-0 88com	7.84	266-256pm	7.				

			EX(	HA	HGE	CR	085	RAT				
July 24	£	\$	IN.	Yes	F.Ft.	S Pr.	N.FI.	(Jra	C5	B fr.	Ptal	La
- {	0.526	1900	2.850 1.500	205	9.620	2.525	3213	2159.	2.264 1.192	58.45 30.87	181 t 95.33	6,736
YEN	0.351	0.667	1	85.09	3.375	0.886	1.127	757.5	0.794	26.58	63.54	0.491
YEN FFA	4.124 1.040	7.835 1.975	2963	1000 252.1	39.67 10.	10 41 2 625	13.25 3.340	8903 2244	9.336	243 9 60.97	746 B	5 765 LASS
3 Fz.	6.396	0.752	1.129	96.04	3.810	1	1,272	855.0	0.897	23 23	7172	0.551
A PL	0.311	0.591	0.887	73.A7	2.994	0.786	1	6720	0.705	22	55.36	6.A35
Ura	0442	0.839	1.320 1.259	1123	4.456	1.170	1.486 1.419	1800. 953.6	1009	27.17	79 99	0.646
S.FL	1705	3.240	4.859	4135	14.40	4.305	1478	3681	3.860	100.	308.8	2.380
Pla	0233	1049	1.574	133.9	5.312	1.394	1.774	1192	1.250	32.39	100	0 772
Ebs	0.715	1.359	2.039	173.5	6.881		2.298	1544	1,619	41.95	129.5	1
Jee bet j	,000, Pi	rench Fr.	be. m:	Ura per	1,900-1	Calgian I	4. lik T	DE. PERI	9 966, 170	0.		
	•											
			D-CI	URR	ENC	Y IN	TE	EST	RA	7ES		
×	134		Hari And	7.0	ings.	Ger March	T	Town Maritie		Sie lenks	100	
Sterling		93	- 95	10 -	94	184 -	30 J	)4 - 16,1	193	- 104	104	103

_	JM 24	Ulari Ltrai	7 Days	Oliver Mounts	Torse Marilla	Sit.	Sire Title
1941	Sterline US Ob lar US Ob lar Can Dollar Usent Galde Seass Franc Prench Franc Italian Lisa Belgian Franc Deads from Actas SSag Spanks Peets	935 - 55 - 95 - 95 - 55 - 55 - 55 - 55 -	19 - 9-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1	18% - 10 18% - 3% 5% - 5% 6% - 9% 9% - 9% 18% - 48% 117 - 16% 9% - 48% 117 - 16% 118% - 21% 118% - 21%		101 172 173 173 173 173 173 173 173 173 173 173	104 - 103 38 - 38 53 - 45 91 - 98 91 - 98 103 - 103 94 - 94 46 - 43 105 - 125 23 - 134
	Long term Eurodoffer		43 per cret; d ra ratus are cal				
	GT 00 FW 74	ty 240 3 mos	eda US doltars		& nest	N US BALLIN	

	H	ONE	RAT	ES		
NEW YORK			Treesury	Bills and I	Bonds	
<del>fpm</del>		w corth	100×1×10×1×100×	3.40 Three	· •	466
Prime rate	- • j	Tree month	On Particular Institution	3.23 S(ver	766F	<u>\_</u>
T 64. Taples	34	is month		356 354	7 7	
Follow & learning.	- 1	wd <b>year</b>		4.20		
July 24	Detaight	Month	766	The	Sk Monte	i producti Intervention
Faring	946-523	9 70-9 80	9,70-9.80	9,70-9,80	9.76-9.80	9.75 9.60
Isid appenden	715-10A	104-104	102-103	104-103	104-10%	9,60
Landard	4		-			
Talors	42.70	排拼		164-168		1 :
441—	West Contract		103-103-	104-103	104-104	ì
Milas	104-104	102303				

L	ONDO	N MC	NEY	RATE	5	
Jul 24	OsemigO(	7 days	One Month	Three Months	Stx Months	One Yes
interbank Offer interbank Bid interbank Bid Sterling Cos Local Authority Deps Local Authority Bonds Discount Mitt Deps Compusy Deposits Finence Name Domails Treasury Bill's (Bay) Bank Bill's (Bay) Bank Bill's (Bay) Boltar COs SDR Linked Dep. Bid EU Linked Dep. Bid EU Linked Dep. Bid EU Linked Dep. Bid EU Linked Dep. Bid	10	101s 93s 93s 94s 94s 	10 & 10 & 10 & 10 & 10 & 10 & 10 & 10 &	00000 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	104 104 104 104 104 104 104 104 104 104	10.5 10.6 10.6 10.6 10.5 10.5 10.5 10.5 10.5 10.5 10.5 10.5
Tressury 8 iiis (sell); one- Bask Bills (sell); one- tender rate of discount, 9 30, 1992. Agreet rates Schemes II & III: 11.28 (NeV: 10.038 p.c. Loc (Iusel, Finance Houses & days notice 4 per cent, III under one month 6-b per months 8-b per cent, III 1992. Deposits withdra	for period .  p.c. Reference if Authority ase State 104 Certificates cost; one-ti actuality inc	July 26, 19 se rate for p and Flaars g from July of Tax Deported months antils 812 pe	Rate Sterlin 92 to Augus ériod May 3 2 Houses se 1 , 1992: E 2 per cent; 9 per cent; r cent: Unité	g Export Fill it 25 , 1992 0 , 1992 to . ven days' m lank Oegosit b): Deoosit	lance, Make I, Scheme i. June 30 , 19 tice, others Rates for s E100,000 a	up Gay Jum 11.29 p.c. 192, Schem seven days surs at seve nd over hel

#### FT-ACTUARIES WORLD INDICES

Jointly compiled by The Financial Times Limited, Goldman, Sachs & Co., and County NatWest/Wood Mackenzie in conjunction with the Institute of Actuaries and the Faculty of Actuaries

NATIONAL AND REGIONAL MARKETS		* 1	F	MDAY JU	LT 24 78	92				THURSD	AT BULL	25 18E		DOA.	LAN IND	MX.
Figures in parentheses' show number of lines of stock	US Dollar Index	% chg (5) since 31/12/91	Pound Starling Index	Yen Index	DM Index		Local % chg (rom 31/12/91	Bross Div. Yleki	US Dollar Index	Pound Breefing Index	You	Dål Index	Local Currency localis	1882 Hign	1982 Low	Year ago (Asgran)
Australia (69)	142.00	-5.8	110.87	114.65	110.77	126.59	-4,1	4.31	142.86	110.54	114.17	110.03	126.82	153.68	140.94	140.9
Austria (19)	150,55	-9.8	117.47	121.48	117.38	117,08	- 10.8	2.49	154.80	119.94	123.88	119,39	119.62	186,70	150.55	
Belgium (42)	144,69	+0.2	112.91	118.75	112.80	110.26	-0.9	5.58	147.18	114.04	117.77	113,51	111.07	152.27	135.87	126.5
Canada (114)	126,95	-6.9	99.06	102.43	98.96	109.53	-4.0	3.24	127,58	98.86	102.10	98.40	109.76	142.12	124.32	
Denmark (35)	234.80	-121	183.22	189.48	183.05	184,04	-14,1	1.30	238.43	184.74	190,81	183.89	783-A1	273.94	226.81	253.4
Finland (15)	71.12	-8.8	- 55.49	57.39	55.44	61.11	-9.7	2.31	72.92	55.50	58.36	56.24	62.46	\$9.80	71.12	98.6
France (104)	152.46	+1.4	118.98	123.03	118.86	121.0	- 1.0	3.87	154.27	119,53	123,45	118.98	121.18	180.75	148.06	130.6
Germany (65)	11B.35	+0.9	92.38	95.54	92 29	92.29	-0.3	2.49	121.41	94.07	97.17	93.64	93.64	129.69	114.67	107.0
	240.79	+ 38.5	187.89	194.29	- 187.72	239.21	+35.6	3.40	246.39	190.91	197.17	190.04	244.65	259.55	176.36	166.71
Hong Kong (54)	157.31	- 6.3	122.75	126.93	122.63	124.52	-8.0	4.24	158,99	123,18	127,33	122.52	124,91	173.71	151.78	153.6
Dalu /781	51,80	- 18.0	48.23	49.87	48.18	52.43	- 18.9	3.96	62.92	48.75	50.35	48.53	52.87	30.86	01,80	74,9
Italy (78)	92.72	-31.7	72.35	74.81	72.29	74.51	-30.3	1.14	95.44	73.94	76.37	73.62	76.37	140.50	88,70	
Japan (473)		+12.4	187.87	194.26	187.69	231.06	+3.3	2.70	244.42	189.38	195.58	188.51	235.34	250.47	212.49	226.9
Malaysia (69)			1090.09	1127.23	1089.08	1750,23	+27	1.26	1436.20	1112.78	1149.33	1107.70	4883.53	1789.77	1355.22	1149.4
Mexico (18)		+0.4 +3.6	123.43	127.63	123.32	122.05	+25	4,80	160.87	124.64	120.74	124.06	122.80	167.29	147.88	135.3
Netherland (25)				37.56	38.29	45.05	-24	5.04	48.54	35.14	37.33	35.07	45,13	48.52	42.01	46.66
New Zealand (14)	46.55	-0.9	36.32	132.88	128.36	151.80	-89	1.91	165.26	128.05	132.25	127.48	130.94	192.95	161.25	. 196.36
Norway (23)	164.65	-7.9	123.48				-7.6	2.19	207,35	160.65	165.93	159.92	154.27	229.63	192.76	199,17
Singapore (38)	203.31	-7.5	158.65	164.05	158.50	151.50		3.05	197.78	155.34	158.37	152.54	170.36	263.60	194.69	235,18
South Africa (61)	194.69	-21.8	151.92	157.09	151.77	169.03	-23 -14.0	5.96	137.49	106.53	110.03	106.D4	96.69	161.72	135,49	147.5
Spain (49)	136.49	- 12.7	106.50	110,14	106.40	98.59	-27	281	182.81	141.65	146.30	141.00	145.94	200.28	173.09	189.99
Sweden (29)	179.45	- 0.9	145.02	144,80	139.90	144.55		2.40	109.88	85.14	87.95		89.66	113.85	95.99	
Switzerland (62)	108.57	+8.2	84.72	87.61	84.65	00.42	+6.1					84.77				
United Kingdom (228)	179.60	-3.1	140.15	144,91	- 140.00	140.15	-4.6	5.30	182.49	141.38	145.03	140.74	141.39	200.07	165.85	
USA (522)	167.77	-1.2	130.91	135.38	130.80	167.77	-1.2	2.98	67.82	130.03	134,31	129.44	167.82	171.68	180.92	
Europe (790)	144,45	-2.2	112.71	116.56	112.6	113.00	-3.7	4.28	146.63	113.76	117.50	113.25	113.92	165.88	139.31	137.2
Nordic (102)	169.29	-7.9	132,10	135,60	131.97	130.13	-9.6	241	172.07	133.32	137.70	132.71	131.04	189.52	169.29	
Pacific Besin (717)	99.47	-27.5	77.62	80.27	77.55	81.26	-26.0	1.52	102,16	79,15	81.76	78.50	82.86	141.97	94.40	
Euro - Pecific (1507)	117.66	- 17.0	91.81	94.93	81.72	94.41	16.9	2.89	120.23	63.15	96.21	92.72	95.70	145.21	113.60	
North America (636)	165.21	-1.5	128.91	133,32	129.61	163.80	-1,4	3.00	185.30	126.07	132.30	127.51	163.87	169.69	188,70	150.2
Europe Ex. UK (562)	123,18	-1.8	96.12	99.41	96.05	57.42	-32	3.54	125.24	97.04	100.25	96.62	98.07	132.98	121,81	115.2
			129.62	134.06	129.63	148.14	+ 10.1	3.62	168,46	130.52	134.83	129.94	150.05	175.31	149.00	146.2
Pacific Ex. Japan (244)	188.12	+ 10.7				96.84	- 16.1	2.89	122.14	94.63	97.75	94.20	98.13	146.91	116,45	36. t
World Ex. US (1700)	119.61	- 16.6	98.33	96.52	93.25		-11.0	262	132.27	102.49	105.88	102.03	117.22	150.58	127.21	138.0
World Ex. UK (1994)	130.71	- 11.7	101.99	105,47	101.91	116,32			136.25	105.57	109.05	105.09	118.98	153.05	130.04	140,5
World Ex. So. Al. (2161)	134.58	- 10.7	105,01	108.60	104.93	118.05	-10.5	2.93						165.40	153.20	
World Ex. Japan (1749)	158.39	- 1.5	123,60	127.82	123.50	143.72	-1.7	3.47	159.56	123.62	127,70	123,08	144.29			
The World Index (2222)	134.93	- 10.8	105,29	108.88	105,20	118.52	-10.4	2.93	136.61	105.85	109.33	105.37	119.46	153.70	130,68	141.2
Base values: Dec 31, 196 (US \$ Index), 114.45 (Pot Copyright, The Financial Constituent changes duri	and Ster	iing) an	d 123.22 Goldona	(Local).	8 Co	and Cou	i Index). Inty Nativ al Corona	lest Se	curities	Limited.	1987					= 139.6i an).

	LONDON RECENT ISSUES										
BOIL	BOUITIES										
fame Price	Ang K Palai	Latez	19 High	92	Swak	Ocsas; Price	† <b>3</b> 7	Set Dei	Timei On S	rieid	P/E
$\rightarrow$		_	_				$\overline{}$				
228 	FP.	-	2005	283	Anglesis Group	203		¥187	20.	5.7	118
ایت	65.	-		41 Z	Errors Welfer Was to Sub.	121		J -	-1	-	-
128	EP.	- 1	(3) 149	118	British Boo technology	1439	1 '		1-21		16.5
- 250	FF		120	122	Country Cassals	1 40		₩3.5	ы	35	10-3
100	FP.	_	20 元 元 元 元 元 元 元 元 元 元 元 元 元 元 元 元 元 元 元	418 135 19 19	Cover A	135 19 91 91 473	-1	_	E = 1		_
-	FP.	_	36	32 473	So Warrasts	35	شياماه إياد	-	J - 3	- 1	-
500 i	FP	- 1	45	473	F A C . In	473	l-ē ∣		l – I	- 1	-
351	F.P	-	136	1-25-7 347	Finsbury Senir Ca s Zero P!	413 16-7 153 153 153 153 153 153 153 153 153 153	l-≅ i	-	i – I	l - l	-
351	EB	- 1	372	347	MSBC HICLO	353	-₹	93.6 93.6	13	35 63	24.7
- 1	EP.	- :	34 99 30 290	62	Records Estated Ort.	63		936 ;	I -I	63	-
* f	E.P.	-	22	-92	Do Units	- 92	H.	l -i	- 1	-	-
295	75	- 1	-20	275	Do Zero Din Pri	201	イヤウ	1675	124	35	15.0
255	66		£171	(92	Laten Am Inc & Acar. In	291 283 519 335 126	.5	10/2	153	ا قدد	77.0
اتيت	E.E.		1127	235 124 465	M & G Becomery Inc.	116	-4-	E3.73		149	
- I	100	-	万1。	124	Do Capital	126	\$°\$777		l – i	-	-
-	F.P.	-	65 122	464	On, Geared Moto.	9	-í l	FIS	l -I	10.6 52	-
1	5.5	- 1	122		No Package Valls.	97	-7	7375	1	52	_=
115	E.F	- 1	222 b	113	MF) Furniture	119	-31/2	13 75	20	42	15.4
174	F.P.		17	143	Makutrust Warrants			00.0	اءدا	35	
140	65		124	145	Ostality Care House	122	9K	84 g 164 75	23 19	41	135
136 140 335	FP.	- 1	152	145 274	Tetegraph	119 119 119 119 119 119 119 119 119 119	원 구	1100	22		10 9

FIXED INTEREST STOCKS									
	Ampiret Paid	(alest	19	1992		Freeing Price	+.		
£	-	Date	High	Les	Stade	L	-		
:	F.P.	:	15a	2	Brens Walker Var Rue 2nd Pri 100/07 Do. B1-os. 3nd Nos-Com Co Pri 2007/180	121	Г		
60a 60a	F	:	1001 <sub>2</sub> g	100129 102122	Causes OH 11% Cro ULS 94/97	1001 <sub>2</sub> p			
iCDe	FP.	:	110p	167/22	Fulcrum for Tst Zero Der P!	208 up	15		

			RI	CHT:	3 OFFERS		
lawe Relate	Americ Paid	Lineau Dreams	h	12	Smil	Closing	+0
	=	Date	Begin	(A)			ľ
130	160	58	20pm 12pm	540	BET	61g 04	1
116	IA IS	19/8	47om	15-	Clarement Garments	19pm	
£	MI I	-30	II)	1700	Capid 10g	1 Same	
30	100	11.0	L San	7,000	Shipton	1-on	
	init .	1/9	1120m	- CORE	Glarting ladustries	I €pm	Į
	sed divides	a prija	90 MMM 29		estimates, if Divident rate paint or papelal ristent and metal, a Earthres bases on pri	e compared the	
Farecast or	ediction	AND LODGE	d directerá a	ME. COVER	taxed on previous year's earciess, a Ea-4	nudend. F D	leide
and while its	acted on our	soetlat or	nather cdffc	al estimat	es for 1993-93. It Divident and weld has	sed on proso	aclus
OCCUPATION AND AND AND AND AND AND AND AND AND AN	SI CONTRACT	2 Mar 1.4.47	L EGIBLE	را الاستخداد الاد الأد مطالح	sed disident, contribution of these on these claims and pile business on 1991-92. It Similares	3427 GH	ings
Brospecies o	e other of	le tal estats	ates for 14	D BLoo	R Forecast annualised dougland, cours an	d p.'s ratio b	hand
property (	r other of	خليا ويند	utes W Pr	o farma fi	gares & Offered to halders or critically sta Unlined programs market & Stated	ne sa "ri	385
Introduction	u. 6 Placi	og price	tt Belake	iestiae, 🕁	Unlisted securities market + toped in norm, 4 Units comprising 1 Ord and 1 Ze	in connection	D 16

		24 July 17		July 2	July 17
Dix on offer	C100	an £529m km £100m 25 £97,630	Top accepted rate of Georges, Average rate of discount. Average piets Amount on offer it, our ligate Missions accepted for 162 d	9.5161* 9.7474* £100m	1 L100m
WEEKLY C			ORLD INTER		
WOOM	July 24	ri-	NEW YARK	July 24	-
Bate rates (by Interbank moretal Interbank morety Bill Tender Send 1 Bills Band 2 Balls		Unch's Onch's +0.020z Unch's	Prime rates , Federal Finds , 3 Afth Tresony Bills 6 Mth. Tresony Bills 3 Mth. CD	32	Unch'd Unch'd Unch'd +0.84 -0.03
Rand 3 Bills Band 4 Bills 3 Mth. Treasury Bill 1 Mth. East Bills 5 Mth. Bank Bills		Undrá Undrá +1 Undrá Undrá	FRANKFURT Combard Over mith. Interbank Times month	9.75 9.75 9.75	Unch'd Unch'd Unch'd
CYO Doe meach Gills Direc meach Bills	**	- N	totornention Rate	107 209 4 90	Checky *15

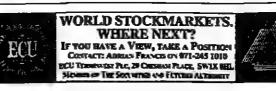
	Trust Funds	Reserve Account with the 071-753 190
E-P/E	Grass Net CAR like	For personal contents: 8 125
Trid law	48 Penting Read Torbyldge 749 240 0732 770114	For benieves, charities and societies
5.7 11.8	48 Permiury Road. Tempringe Tw9 2:00 0732 770114 Calicash Deposit Fund. 19 61 996 996 Deposits Over CL william 19 81 10 09 9 Deposits Over C2 million 19 81 10 17	
35 165	The COIF Charities Deposit Account 2 Fore Street, London EC2Y SAG 071-588 1815 Deposit 19 60 1 9 951	27 Bush Lane Louison ECAR GAA 071-623 343
	Cost. Rd. of Fin. of Church of Foolander	Ban Heng Bank PLC Premier Account  66 Resman Street, WIP 310. 071-631 331
35 247 63	Gertomre Manco Handanavard Ltd	80 Resman Street, W1P 31.0. 07.1-531 331 62 500-610 600 8 50 6 375 8 77 - 619 001-620 8 75 6 5625 9 6 - 620 000-600 8 7 125 9 84 -
=   =		Dartington & Co Ltd Investment HICA 70 Process Bristol 851 400 0277 21320
35 15.0	Call Ford 936 702 937 7507 7507 7507 7507 7507 7507 7507 75	70 Prince 51 B-1501 BS1 400 0277; 71321 650 600-£1 in 900 6 75 931 - 125 000-£14 900 8 75 5 5 6 94 - 155 000-£24 900 8 50 6 37 6 78 -
149 -	TESSA Noc. 14 No 905 - 1222 - 820 -	Fidelity Moneymarket Reserve Account
10.6 5.2 4.2 15.9	Money Market	Fidelity Moneymarket Reserve Account Fidelity Portfolio Services Ltd. Qubitit House.  (1-149 eye 195 5 375 8 371 - 1250 000-149 eye 195 5 725 9 31 - 1250 000-149 eye 195 5 725 9 38 - 1500 000-149 eye 195 195 195 1
35 135 41 Mb	1	
48 109	Bank Accounts	Gartimore Money Management Ltd. 16-18 Monament St London ECSR 806 971-236 143 NICA 610 400 + 9 25 6 18 6 50 1
	ALD these High Interest Cheque Account  Between Md Unbridge USB LSB 0800 287215	Halifan Olde Con Board Bosomo Chemen Se
	AID Case High Interest Chemic Account Belmon for USB 15A 0900 282315 12 500-16-999 7.30 5.47 7.50 120,000-19.36 0.27 8.625	Thority Road, Halitan HX1 2PS, 15 002 23 3533 15 000-17 991 17 65 5 18 3 005 - 18 10 10 10 10 10 10 10 10 10 10 10 10 10
	Alticon Henne Bank glc 30 Gry Ross, CCLY 2Ay 1965.00 6.375 8.777 1865.00 10044 99. 850 6.375 8.64 - 1865.00 10044 99. 850 6.375 8.64 - 1865.00 10044 99. 850 6.75 9.59 - 1865.00 10044 99. 850 7.125 9.99 - 1865.00 10044 99. 850 7.125 9.99 -	(50,000 and shore.   9 70 7 26 10 06   -
nite + or	7 (150 do 17	10 Windsor Place Cardiff CF1 3BX 0222 22080
		Entre High Interest Peoput Accessed 156 000 + 10 50 7 88 10 92 - 15 900 + 10 90 7 50 10 38 - 10 90 92 - 10 90 92 90 10 38 90 10 3
12p	97-101 Curreio St, Loedos, ECAN SAD 971-026 0879 FRIENDAS (12,0034-) 10 91 8 18 10 91 - TOMMA LCZ 0034-) 10 30 777 10 36 - OWNA LCZ 0034-) 10 30 777 10 36 - OWNA LCZ 0034-) 10 30 752 10 03 - HICA (12,0034-) 850 638 884 - Frenter FESSA 12 58 9 51 12 68 -	Humberclyde Finance Group
123 123 - 14 148 - 14	ANNELSON EXPOSES SAME LAS	5 Bartley Nan House Basingstore 0,256,76000 CSI water 15 00 7 501 10 201 — Leopold Joseph & Sons Linsited
149 44	Siste Mices, Responsibility of the Children Control of	29 Grestiam Street, London ECZV 7EA 071 588 232
	COD-04094	(25,007-(100 000 . 950 7 125) 984 - 2100 001 stes . 975 7,3125 10.11 -
	\$500-5990	156 Rentitle Town Rd, London NW 5 287 071 267 158 H I C a (CZ 500e) 19 25 6 9375 N 661 1 -
	Bank of Ireland High Interest Cheque Acc	Lloyds Bank - Investment Account 71 Lordard St. Looder FCSP 385 0272 43337
	Bank of Ireland High Interest Cheque Acc 14-20 etc 2: 25-48 11 121 0753 516516 12 0000 000 000 8 255 6 168 0 509 500 500 500 500 500 500 500 500 5	71 Lomand St, Loeder FC3P 385 0272 43337. L50 000 and above 9 00 5 75 9 00 - 10 000 15 000 10 000 15 000 1
eog + or	19 The street of 5/20 2014 ATT - ATT	Additional Book of
om +11₁	IN De Art 12 504-12 (et 8 65 6 44 9 25 - 125,000 9 25 - 125,00	Proceedings   Procede   Proceedings   Procedings   Procedings   Proceedings   Proceedings   Proceedings   Proceedings   Proceedings   Procedings   Procedings   Procedings   Procedings   Procedings   Procedings   Proceedings   Proceedings   Procedings   Procedings   Procedings   Procedings   Procedings   Pro
gas gas -2 gas -1	Darriary Scient   Pi Ber I/O Wessell   Re Pi, County   0800 400160   Pi Ber I/O Wessell   Re Pi, County   0800 400160   Pi County   0800 400160	Exchange Act £5000+ 8 10 a 077 8.25 - 110,000+ 125,000+ 8 14 a 25 8 50 - 125,000+ 8 12 a 25 8 50 - 125,000+ 9.54 7 15 9 75 - 12554
000 000 –1 <sub>4</sub>		HatWest Crawn Bettern Account 43 Lotteur Leader, EC2P 28P 0800 200 400
osa 1 cal capital 1 l'Oures, u	PG Ban 125, Northampton 11 000-12, 409   0.50   4 881   0.604   25,2991   11 000-12, 409   6 50   7 0.00   5 50   7 104   11 000-124, 4094   7 0.00   5 51   7 104   11 000-124, 4094   7 75   5 61   7 68   12 000-124, 4094   7 75   5 61   7 68   12 000-124, 4094   7 75   5 61   7 68   12 000-124, 4094   7 75	4) Lothbury London, EC2P 28P
ry tigures, u F Dividens rospecius or earnings Al	25 000+   18 25   61   7 66   -	Frovincial Bank PLC 30 A-Ney Rd, Ahrincham, Cheshma H I CA 16.1 000-1   6.25   6.19   6.571   -
ed based of	Fore Beschmark Sank FLC see das Heet Sank PLC Brewn Shipley & Co Ltd	South Cook of Sections of Benchmarks
"rights" 1 ection with Pref share	Brewn Shipley & Co Ltd Feender Court, Lethaur, London EC2 071-606 9833 HICA. 850 6.38 8.71 - Prof Denant Arc. 850 6.38 8.71 -	#2 51 Andrew Sq. Editopine EN2 2VE 031-228 Sept. 155 DB0- 149 e99 640 878 888 9911 - 225 DB0- 149 e99 800 600 878 888 - 221 - 22 2000-124 e99 800 600 824 - 22 2000-124 e99 800 600 824 745 - 22 2000-124 e99 800 800 800 824 745 888 988 988 988 988 988 988 988 988 98
	Caliminatan Ramii Pis 8 Sa Andrew Square, Edinburgo ENG 2PP 031 556 8235 HDCA 7 1251	
	Caban Bilam I del	Bave & Prosper/Robert Fleming 15-72 Western RJ Retrieva RMI 318 0000 282101 Departu (MiriCasa 1. 8 50 5 88 8 57 - 1ESSA 7 1 1 6 1 5 8 5 8 2 25 - 1ESSA 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
	25 Birchin Lane, Losdon ECTY 904 071-423 2070 HICA	
ER	Description	Sterling Bank & Trest Ltd Abbey Edn, 6 Abber St. Russing RGI, 3BA 07:34 592541 HIDA 62 500+ 10 00 7:50 10.251 -
July 17 9.5060%	2300-13	Tendall & Co I id
9 4960% 9 7263%	\$5.000-549.949 225 154 227 - \$20.000-5199.949 225 154 227 - \$100.000-5199.949 256 256 - \$200.000+ 275 260 178 -	27-33 Princes Victoria 51, Burnan Demand Aux
£95.360	please pri 2168	TRANSC JUNION - UTION -
	Clydesdate Bank PLC 30 St Vincon Place, Glassow 81 248, 641 248 7079	ULE Trind Limited 1 Greet Corner-land Pf. London W1K 7AL 071-258 009- CLD 000-90 day sprice , J11 25 0 44   11 73
ES	30 St Vincent Place, Glassow 81 244, 043, 246 7076 E2 000-24, 774 253 3 3 3 771 252 000-24, 774 253 3 3 4 771 253 000-24, 774 253 3 4 6 9 04 254 000-24, 774 255 000-24, 774 .	United Bornickers Treet Ltd
(incl'd	Destructions Each Limition PO Res 104, Princes Res, Superses 0438 744500 allow bases Act 500 b. 110, 30 7 675 10 78 - 914 CA 525,000 b. 975 7,3125 9 75 - 117 Feb. 100,000 b. 975 7,3125 9 75 - 117 Feb. 100,000 b. 966 7,21 9 60 - 577 Feb. 100,000 b. 966 7,21 9 60 -	PG Soc 1.75, Abbry St., Reading PG 1.3EB 0734 MOVII Capital Pice Compan Account £1,000+
Under d 40.84	PO Bars 104, Prisones Re. Supersons 0439 744500 all her halte &c 25000   0.30 7 475   10 78   -1 11 1	J. Henry Schroder Wage & Co Ltd
+0.84 -0.03	Co-control (ver Bosse PO Boy 300: Strimeradale, Lanca (0000 e161e2	LIG DOS AND ADORE . 14 00 6 751 4 281 -
Linch 4 Linch 4 Linch 8	TESSA110 00 -  -  -	Western Trust High Interest Cheque Acc The Moreycenire, Plymouth Pt. 155 0752 224141 [15,000+ 1,13] 9 84 -
	50,000 - 10,	The Moneyconine, Prymouth Pt.) 152 (752 22414) (15 000) - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -
Oberva +15	101000000000000000000000000000000000000	Windshift 4 Seeth Wed Figure PCC 114 Newsate St. Lendon EC1 7AE 071 -06 9485 Higs Int Chapte Acc 18.75 6 567 9.941 -
	10,000 (49 494 .   6.50   9.35   8.65   -	

	July 24	July 23	July 22	July 21	July 20	July 17	19: High	P2 Low	Since Co	
Government Secs.	89,79	89.19		89,19	88,98	89.30	89.75	85,11	127,4	49.18
lued Interest	105.80	105.78		105.60	105.69	106.14	106.26	97.15	100.26	50.53
rdinary	1789.1	1808.1		1831.0	1824.1	1852.1	2149.7	1789.1	2149.7	19.4
loki Mines	53.1	50.6		95.7	95.8	94.0	150.6	69.3	734.7	43.5
T Act All-Share	1138.01	1148,11		1157,21	1152.75	1100.05	1326.35	987.45	1326.36	61,92
I-SE 100	2377.2	2399.5		2415.5						
					2403.7	2431.9	2737.6	2377.2	2737.8	880.8
-SE Eurotruck 100	1052.53	1059.53		1075.64	1054,04	1097.57	1199.58	1052.53	1199.58	900.45
-SE Eurotrack 200	1085.40	1094.87	1095.41	1109.52	1109.13	1131.06	1248.79	1088.40	1248.79	938.62
							-			
			LONDO	N SHA	RE SERV	ICE				
British Funds			BRITISH FUN				BRITISH FU			
	PLS Annt Intent	Last Oh	***		% Apret Interest	Last City		W/k lotes Price £ chang		Last City
Modes Phop S ch		20 fto	Mai 	les Price & chery	90 Gm due -1 1,252 Nv19 Mv19	ad Inc	Cany 31s ac '61 Att	- gS; -		
Swelte" (Lives up to Fifte 1			Canversion 10 4 pc 198	10842 -		13.4 1288	Cenv 3 2 pc '61 Att. Tress 3pc '66 Att	32 4 -	4 56 An5 Oct	2.3 132
	1,399 FMS AVS		900 200011		- 1 1,790 MyZ2 NV22 - 3,150 Skg M/3	15.4 1242 27.1 1244	LOTISON 2 12 DC	27!1 -		
31 <sub>2</sub> pc 1992	-1 1,757 M/22 Sc22	14.2 1286	98 2000 C	_ 993 _		27.1 1244	Trees. 2 12 pc	2712 -	3 476 Ap1 0c	BARISH
	-1 905 Ac18 Fet8 -1 1,890 (c15 Ac16	18.7 5047 8.0 1270	Trees 13pc 2000.		2171 July Jy14	8.8 1299	Index - Linked			
1953HL 1964 14 pc 1993HL 1823	-1 1,180 (£15 Aprils	6.6 1256	10pc 2001	185.Aut 0	1 4.208 Ar25 Fr26	31,71000		(h)		
dag Gpc T993tt	-2 609 Mris Seis	7.2 1276	14pc 78-01		2 978 Ny22 My22	15.4 (206	Tress. 2pc 84(1) 2pc 96(1) 212 pc 01(2)	12.91 128;}	BED NVIG My	16 9.4 5071
E 13 Lpc 1993# 1941	-1 1,855 km/23 Rv/24	16.4 1304	9 % pc 2007	_ 1042-0 0	1 5,827 Fe27 A(2)	21.7 1349	21. pr 101	7/9) 18Z 1 -	3 1,100 Mile Set 6 1,150 Mile Set	6 102 131. 4 17.2 131
pc 19949534	-1 2,100 Au3 Rd	BA4971	94 p 2002 C	104mi -	2 1,800 Fe27 Ad27	21.7 -	212 pc 103	7881 141 % -	8 808 NV20 NV	
13 <sub>2</sub> pc 1994H	-1 339 (24 (8)	34.11307	10pc 2003	136 <sup>1</sup> 4 0	1 1,783 Mh8 Se8	31.1 1201	30c 76i	タ51 144A -I.	1 1.206 Ja19 Jei	9 126 1314
13 5 pc 1994 186	-1 1,100 Oc27 Ad27	77 5 1307	10pc 2003 8		1 SOR WE Set		21, pc 109//	'881 1374 -I	1 1,100 Nv20 Mv4	20 13.4 1318
25, 100c La. 199455, 1864	-2 1.500 Del 3e9	5.5 1284	Treas 11 12 pc 2001-0		1,620 Sel9 Mri8	11.2 1290	21 <sub>2</sub> pc 11 (7 21 <sub>2</sub> pc 13 (6	4 5) 135 1/4 -1	1 1,550 Fe23 Aug 1 1,850 Fe16 Aug	c 98 7 4 7 10
123 <sub>2</sub> pc 1994 1851/df	-1 1,200 Fe22 Au22		Fending 3 ½ pc 99-04		7 40 July 1414	8.8 1274	512 ac .16 1	16/1914	2 1 200 1215 M21	6 19.5 1321
26 9pc 1994は 明古	-1 USB My17 Se17		Conversion 9 12 pc 200		1 3,012 Ap25 0c25	15.2 1246	21 pc 20[	130) 113(2 -r	4 1,550 Oc16 Ap	6 10.3 1325
tpc 199595}}ul	-1 2,358 Jy25 1±25	19.6 1264	91 <sub>2</sub> pc 2005		1 4,442 Oc18 Ap18	123 1247	212 pc 16	7.7) 943 -1	3 900 Ja17 Jyl	7 10.6 1322
ch 3pc Gas 90-95 93 4	-1 234 NvJ 39y1		Treas 1212 pc 2003-0		12 2,200 My21 Nv21	14.4 1295	4 % pc 30 pt [13 (b) Figures in pa	STI Mili m	3 500 Jy22 Jul	6 In the C
014 pc 1965 192 ls	-2 2,400 Ju21 Jy21	15.5 1254	åpe 2002-0611 Treas 11 3 <sub>1 pc</sub> 2003-0	9165 U 7 11883 O	3 1,800 App De5	15.5 1293	months prior to is	CUNICAD MICH	KPI DAME IOF IN	DEALING, THE G
es 124 pc 1995th 1997	-2 849 My15 My15		11 of Bit SAND.	, 14825 B	1 o'es sire 1855	188 1293	of RPI to 100 m J	алиалу 1987 Со	rorersion (actor 3	945 RPI la
4pc 1995 11233	-1 THE WE LIE	15.E 1305					December 1991.	35.7 and for J	une 1992 139	3
pt 1992-96## 95.2	-2 700 Mili Mili	7.2 1500	Treas 8 to pc 2007 at	ma22 7	2 2007 Jule 3/16	BELLEN				
54-pc 1990tt 1175g cb 134-pc 1996tt 1114g	-2 1,190 M-3 M/3 -1 000 Nv15 M/15	8.4 1266	812 DC 2007 A	_ 30(5 U	_ 1,060 Ja16 Jy16	8.6 -	OTHER FI	KED INT	EREST	
cs 13 4 pc 1996(1 111-2 mverson 10pc 1996 1823	-1 3,685 My15 Ny15	E4 1200	131 <sub>25</sub> C 734-05	130 % 0	1 1250 5435 6424	182 1301			Ammir Interest	Last Con ad line
ES 134 pc 1997# 1131	-1 1,290 Jy22 Jy22	WA (302	9pc 2008 #	_ 199 iZ 0	3 4,871 Ap13 Dc13	23 1343	A N A	lotes Price C chance		ad line
24 10 2pc 1997 1940al	3.789 Au21 Fa21	98.7 (90)	Soc 2009	_ 92,2 0	2 1,300 Mi25 Se25	17.2 (336	African Dev 11 lg 20	10 11433 01 009 1087 0	5 50 Ja4 Jy4 1 180 M24 Se3	1.12 - 4 243 -
- 12 the 1992			Comy 9pc La 2011 #4	1814 0	Z 2523 Ja12 Jy12	NA IENS	Assert Dev 10 4 pc 2 (Them 11 12 pc 2012) Ireland Cap 6 12 pc 11	112 · · ·	45 Mv15 Nv1	5 17.4 (8)7
			9pc 2011 8		1,500 Jy12 Ja12 2 1,500 Fe6 Au6	36 -	Ireland Cap 812 pc '1	0_ 98 L 0	1 304 Apr Oct	- 145
ns to Filliant Thors as 8-l, pc 1997at 98-l,	3.00m Mrt Sci	III.2 T341	9ec 2012 A		2 1,580 He Asti	36.6	9pc Cap 1996 13pc '97-02	92% D	4 725 Ja30 Jy3	0
	1,006 Mri Set	martael	395 2012 A	= 1132 E	1 1,000 14/1/ (5/10		Hydro Ougher 15 Y	311. 1401 <sub>2</sub> Q:	315 Ap1 Oc1	28.8 1421 31 27.10
th 15pc 1997 122	-1 430 A(27 0:27	PL 5 ( 246	74 pc 2012-15tt	_3561 0	1 708 Jy26 Ju26	11.1 (322)	Hydro Queber 15pc 2 Leeds 13 lg pc 2006	124 12 00		
Loc 1996 102 d	-1 3,250 Jy19 Ju19	12.6 1273	Exect 12pc 13-17 Trees 8-1 pc 2017	_ 129 2 0	7 1,090 Jally Jany	5.5 1260	Liverpool 3 to pc hree	32 is	5 1JaAnje0	c 1.6 3169
医6为天1995-98# 91型	-1 1.160 Rv1 Mv1	25.3 1331	Trees 8 4 pc 2017	. 95 ta	2,596 Fe25 A425	29.7 -				e 13 -
Share 98ts 127.3	~2 995 Mc30 Se30	2L2 1300	-				Manchester 11 t2 pc 2 Met. Witr 3pc '8	007 11815 0	7 Apr 5 0c2	5 203 3275
th 12or 1998	-2 3,985 My20 My20	TATES !	Undeled				N'esse Angla 3 % pc 20	21_ 109 4 -3	B 25 Mr1 Set 2 60 Jh30 Jy3	0 8.1 3465
1825 1999tt 1825	-2 1,300 Jy15 Ja15	Littor (	Carpordo Anc.	_ 4524 -	4 358 Fat Aut	2.1(2)	4 % DC IL 2024	199±0:	2 50 Fe23 A02	3 20.7
ch 124 pc 1999 1143	-2 3,850 Si26 Mas	182 1364	Mar Loan 31/2 post-	_ ### -	5 1,900 Jul Del	27.A 1352	Util Max States 16 type 3	008_ 123 l <sub>2</sub> 0.		17.2 -

FINANCIAL TIMES STOCK INDICES
y July July July July
22 21 20 17



SATQUOTE REAL-TIME EUROPEAN AND U.S. STOCK MARKET DATA AND ANALYSIS AT REALISTIC PRICES \* ALSO FUTURES \* OPTIONS \* BONDS \* FX AND NEWS \* CALL - LONDON 71-329-3377 — FRANKFURT 49-69-639125





#### BASE LENDING RATES

Adam & Coupany 10
Adied Trust Bank 10
Alfie Bank 19
Henry Anshacher 10
B & C Merchard Bank 10

 Robert Fleming & Co...
Robert Fraser & Plans ...
Giroback ...

 Gainness Mahon ... Habib Bank AG Zurich Hamtros Bart:
 Hampshire Trust Pic
 Heritable & Gen Im Bol Heritable & Gers for Box 10
C Hoare & Co 10
Hesplong & Stangtau 10
Julian Hodge Bard 10
Leonid Jeepil & Surs 10
Hoggs Bark 10
Hoggs Bark 10
Hoggs Bark 10
Meghraj Bark Ltd 10

Credit Lyomaais
Cyprus Popalar Bi:.....
Dao Heag Bank Pic....
Duncan Lawrie
Equatorial Bank pic
Excler Bank Limited
Finantial & Geo. Bank
Deback Element of Co. McDonnell Douglas Buk Modand Bank Alount Bankog Mat Westminster Hortners Bank Ltd Hykredit Hortgage Bank Promptial Bank PLC Ban Penthes Rea Brothers

Rosturghe Bank Ltd.

Royal Bl. of Scotland Scritti E William Secs. Sentis & Willman Sees. ... 10
Standard Chartered ... 10
TSB ... ... 10
United Dk of Komat ... 10
United Dk of Komat ... 10
Unity Trust Bank Plr ... 10
Western Trust ... ... 10
Whiteaway Laudan ... 10
Yorkshare Bank ... 10
Members of Brust Berchaul
Rankuna & Serverties Horses

	LONDON SHARE SERVICE	FINANCIAL TIMES MONDAY JULY 27 1992
1972 De Deutsch Last City	TRACTING & CONSTRUCTION - Cont. ENGINEERING - GENERAL - Cont. HOTELS & LEISURE - Co	the time paid of fire
Notes Proc 5 Change gross pad vid line   Notes Proc 5 Change   State	125   171   -   390 225 Carcla   11   12   14   15   14   15   13   277 State   34   -15   25   171   -   390 225 Carcla   12   12   12   12   13   14   15   15   15   16   16   17   17   17   17   17   17	18.0 2.1 Oct Jul 15.5 1784 Extraction 18.1 4.9 12.5 Inches for 27.5 1785 2.7 18.9 Inches 27.5 1873 5.7 18.9 18.9 27.5 1873 5.7 18.9 18.9 18.9 18.9 18.9 18.9 18.9 18.9
Amer Express. 12, at =1.2 \$7.00 FeMy/Maller 28.5 1594 Sherfield Inforts \$7 = 3.4 U.5 may left \$4 may 5 mast 1, 4 more file for file file for file for file for file for file file for file file for file for file for file file for file file for file for file for file file file file for file file for file file for file file file file file file file file	1   187 - 66 7.95 3.5 Dec Jel 156 4962 200cht (1)   23 - 60 5   790 2352 5 Carste Comes	290 2134 FRANCE 23 Jan Oct 27 41705 FRANCE S-20 COS. 181 -61 23 M ACT 800 715 7157 174 23 Jan Oct 27 41705 FRANCE S-20 COS. 181 -61 23 M ACT 800 715 736 736 734 23 Jan Oct 20 2274 ACT 800 COS 800 CO
Gen Storm 27 \ 2.6 SZ-01 FebryAuth 5.4 Oludor 35 0.5 0.6 let Bec 15-0.02 Try 9865.01	1   1   1   1   1   1   1   1   1   1	8.5 2.1 Apr Aug 13.7 2516 Ministration — 8.16 — 5367 — 5372 August 15 — 8.2 2.5 2.5 2.5 2.5 2.5 2.5 2.5 2.5 2.5 2
OPC	rry 71 -53 9.0 (1 Jan Jal   1 MATH   Minimum   2 TG -50 8.96 0.5 Jan Ang (16 2525 496 Expecter	HLS 27 Jan Jai 155 2534 Marter . 1561 -10 125 Apr Dec 1782 9 2572 -1574 mileton Arter Car . 1561 -10 125 Apr Dec 1782 9 3 277
Chryster	185 - 135 18.5   18.5	55 25 Jan Aug 13.7 2837 ##FFFFAG ENT SAC 289-131 43 Oct Ac 295 14 Agr Oct 30.12 2733 ##FFFFAG 295 137 -2.1 43 Oct Ac 295 242 2295 1787 -2.1 43 Oct Ac 295 242 2295 1787 -2.1 43 Oct Ac 295 242 2295 245 245 245 245 245 245 245 245 245 24
Datu General 4679 01	#V4. Der Cor Dendend Last Corp G120 Not P1	25 19 Dec 2810-2777 Pectry From 1991 -6: 38 Sep Aur 27.1 147 258 257 49 Pectry From 1991 -6: 38 Sep Aur 27.1 147 258 257 457 458 Pectry From 1991 -6: 38 Sep Aur 27.1 147 258 257 457 457 457 457 457 457 457 457 457 4
Edita	Sir	125 12 Apr Jan 64 3115 W 3612 15 W 66 -43 4.27 (W 46) W 11 12 7 177 155 16 10 Oct May 27 4.3357 Zero Cv Ff 56 10 Oct May 27 4.3357 Zero Cv Ff 57 57 15 15 15 15 15 15 15 15 15 15 15 15 15
VCentral Hgc	A 62-st 6.1 - Ing 137 2861 Numer 8 186: 114 - 15 8865 May 6.5 - 864-45 8866 7 75 5.3 1.1 Marr Apr 9.3 9866 Numer 8 186: 17 - 56 1.8 + Jan Jan 15 53 176 180 Proper A Not. 1 78 5.3 1.1 Marr Apr 9.3 9866 Numer 8 186: 17 - 56 1.8 + Jan Jan 15 53 176 180 Proper A Not. 1 78 5.3 1.1 Marr Apr 9.3 9865 Numer 8 186: 17 - 58 1.8 + Jan Jan 15 53 176 180 Proper A Not. 1 78 5.3 1.1 Marr Apr 9.3 9865 Numer 8 186: 186 186 186 186 186 186 186 186 186 186	32 42 Nov Apr 242 3574 W Aprel 2 20-15 210 457 3635 156 259 155 Apr 04 242 1537 W entrop Cours 171 -20 41 Nor Jun 2272 247 2589 152 47 259 152
IBM	74 -13 5.1 18 Apr 00 102 280 Mileophi. 76 -50 3.5 2.0 Ad Sec 27.4 333 Mileophi. 28 -31.0 42 2-32 14.8 1.7 Apr 8nc 23.2 333 Mileophi. 78 -50 3.5 2.0 Ad Sec 27.4 333 Mileophi. 28 -31.0 42 -32 335 Mileophi. 8nc 27 1287 Mileophi. 8nc 27 1287 Mileophi. 8nc 28 -31.0 4.0 4.0 4.0 4.0 4.0 4.0 4.0 4.0 4.0 4	4.5 1.7 Jan Amp 15.3737 Serveny 5.501 194 497 30.1 32.224 2.8 12 2.8 197 0ct 27 4.3745 Merc 8.501 Sert. 5 32 -310 544 Apr 30.1 32.2224 75
Mergan (JP)	# B Str.   ZB 15 - 68 USB 10 5 Jun   25 2440 27-1   152 UJ 7 6 1 Jul 10 UJ 7 5 1 - 59 : 151 - 69 : 152 - 7 6 UJ - 10 Jul 10 UJ 7 5 1 - 10 UJ 7	118 11 Sep Air C42 27771 Info: A Gai Pett. 197 - 199 2 A NO G77 147 217 217 217 217 217 217 217 217 217 21
Permitted	10   10   10   10   10   10   10   10	7.9 2.6 Nay 27 4 3925 Warrasts 7 8.2 7304 332 Fabrius Int 9 36 9.2 Jun Uec 148 75 17 3647 3647 365 Cap 9 36 9.2 Jun Uec 148 75 17 3647 365 Cap 9 36 9 36 36 27 18 36
Sthecatern Rest.   34 h   15   \$222 MyAnthrife   4.7   metalines Proved S.   3/2   -7/6   -   -   -221   Exc. Refer Sun Co.     183 n   -5   \$1.00   Marcheston   55   41   50   Marcheston   55   160   -7   66   Mary   125   150   Marcheston   150   160   17   160   Marcheston   150   160   1	1	122 35 New Sep 309 2288 0.5c 26.4 1.5 New Sep 30.72 -2713 MCIT Japan 191 -07 N.TE Map New 81.7 10.72850 10.1 1.5 New Oct 30.72 -2713 MCIT Japan 194 2.5 New 16.214 10.4967
VIUNDADE     320p	S. 263, 07 17th: - All 10 342 MSC	1.8 - Nov Jul 11.5 4784 279 271 271 271 271 271 271 271 271 271 271
Waste Marage	18 -114 \$90 SES Systone	Warrants 78 400 - 9.60 -1777
CANADIANS    Reed Exec.   ST   12 90 3794 Sony Y.	Y 286 -73 028% \$5 im the 1012 4289 Worter Sperm Ser 161s -467	art cov. paid of fire Zero Eir Pf
8h ktontes   2011 0.6 \$2.12 Pohly-luke 2.6 10c9   Securing 101   259 94 7.9 22 Paih Ann 29.5 2909 Nelscand   250 8h Nova Scot   10149 10 31.04 Jahalete 30.017   Securing 247 31 001 45 200   155 5002 Whish 20 98C Gas   7449 55 80c Fehry Auky 20.12   Securing 247 1 148c - 1.9 8.5   18 Apr Ann 13 7 2901 Whish 20 8CE   2011 0.6 \$2.50 Ap.) Securing 247   3 -21 - 630 2999   3 -	316 -3.7 17.8 0.9 Feb 00 30.12 4482 175 leds 21 -6.7 17.8 4 Feb 01 30.12 4482 175 leds 21 -6.7 17.8 4 Feb 01 13.1 4473 40 Feb 02 13.1 4473 40 Feb	CTG 1.9 Apr Sep 242 1931 Con 96 to -1.8 - 1.45 - 4765 2.8 - Sep Jan 17 1931 Sepped Pr. N 144 - 2 1.45 Jan Jan 15 14 14 427 1.10 1.1 Jan Jan 15 52 283 Million Park 160 18 24 14 14 422 1.17 1.2 Jan Jan 115 2297 Wargards 22 - 71 - 1.54 15 15 2843
Can brog Ed. 12189 0.2 91.32 Foacauty 29.81037 MSKetchiey 185 3.8 25 Jal 16-422 Can Pocket 7829 16 30 Jahrjuh 28.12 Warner Howard 388 13 3.9 29 Jan Jal 18-422 Can Pocket 7829 16 30 Jahrjuh 22.3 Webset 56 48 2 3 3 3 29 4469 wChies 1	CTRICITY  ##Yleway 134 -188 28 08 for 9et 137 4455 mile 1 138 -89  #With Day Dweled Last City Winds 1 17 Jul May 1 15 4594 mile 1 15 4594 mile 1 17 Jul May 1 15 4594 mile 1 17 Jul May 1 15 4594 mile 1 15 4594 mile 1 1 15 4594 mile 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	7.9 1.5 Her Way 22.2 Virtuals 91 -11 3.25 -2684 4.5 2.5 Her Way 8.4 3778 (Charges No. 391) 4.7 3 2.7 10 11.6 13 1 5151 12.5 4 Feb Oct 9122782 (Microsoft Am South Cos. 57 -7 5 - 15,7 - 2799
Worker	idunds 28td -13 17.1 El Bur Dc 137 427 FOOD MANUFACTURING 8F/NS 38 -11 85 -12 85 -13 18.2 10 Bc OH 137 4927 FOOD MANUFACTURING 8F/NS 38 -11 85 -12 85	45 12 M Page 115 5736 Gaberts Retton 184 -8.0 8.25 Apr 40.4 93 2746 125 1.0 Apr Det 93 2880 General 284 -24 6.1 Mar Sep 33.2 10.2 2771 125 1.4 May Sep 13.7 4136 General 18482 7 - 8.30 11 90 2775 126 1.0 Apr Sep 13.7 4136 General 18482 7 - 8.30 11 90 2775
##Huddom's Bary 1174g 14	m 0 Nimi = 50 Mas 30 Mar Ret 137 4858 Armon Triest 1 221, =145 1.42 2.5 Im May 502 1851 Windsor 16 3774 -32 17.7 23 Ret Et; 137 4859 MARROR Bit Foods 8 482d -2.9 12.8 33 Mar Sep 137 1874 Windsor 16 160. q 254 -2.3 8.25 1.8 Nim No. 102 4651 Assoc Pictores 112 7.8 19 Naty Rep 64 1878 19 19 19 19 19 19 19 19 19 19 19 19 19	13.2   1,1444,4900   8.6 4573   Greytrars
WN A Tre Ferything 49p 65 - MBOC 5 836 -1.4 220 18 Feb Aug 16 1850 MScetto.  Nova Carry Alexand 17 200 13 24c Febbyadin 8.8 4215 mg FP 13 -3.6 8,81 13 Feb Aug 15 190 MScotto  NOVA 24 10 10 10 10 10 10 10 10 10 10 10 10 10	rd	255 - 00 PM 610 1971 Zaro Div Pl
Toronto-Com 8160 14 846 Febhykully 28.3 1.07 Bechan Vill g 245 -27 8.06 20 Mey New 213 1801	251 -79 21.76   14 Sec Ad	
Wirk Dr. Dr. Dividend Last City SCountry 24 -100 2-5 2113 SAS De Actività San Dividend Last City Scountry 24 -100 3-5 113 25 See San Till San Last City Scountry 25 See San Till San Last City Scountry 25 See San Till San Last City Scountry 27 See San San Last City	183 -4.4 4.6 2.1 Ata Anny 1.5 1822 - Grammert 183 -2.4 7.5 1.7 An Jac 206 2270 4750 12 1957 -	18.7 3.7 http://doi.org/10.1001/19.2007 22.00 Dev Pr
MADRY, Natures:         285         -40         10.8         3.0         May 0ct         9.3         8-11         Ergodrard S.         2983         -9         0.8         0.2         1.6         1	118 4.78 for 100 33.1544 Ferres 218 -6.9 6.8 23.1544 Ferres 218 -6.9 6.8 23.1544 Ferres 118 -1.0 118 -	- bi Day \$4450 terms from the state of the State of
##8k Holand II; \$ 180 -2.6 GL75 07 Jai Gee 1.6 1380 ##kartors \$ 15 -25 990 2468 ##kartors \$ 15 -25 990 2468 ##kartors \$ 15 -25	S	10
##8ardays 387 -2.5 27.18 04-0m flag 23-174 ##aports 537 -4.8 18.2 1.5 flag flee 4.43185 Comp Pt Da forn four Y. 319 -6 076% 3 2 as 0 to 10.12 \$22  ##aports 524 -53 7.88 2.0 ##aports 524 -53 7.0	ech. 57 -25 U 1.0 Peb Any 216 2239 Kalear RSh. 50 et 25c us us Gal 312 200 UNSURANCE UFE  15 -63 692 2238 Uston Park. 155 -43 73.0 0.6 Jat Rev 1.8 2430  16 76 U 6 8ep 782 2272 Miller Rays (5) 40 -10 4.5 15 Dec 18ep 23.3 3300 Notes (Page Chings	Zero Div Pri 1241 <sub>3</sub> = 2.0 = 24.5 = 4036  W Div Discland Last City (Dynamic Smith 122 = 47 Ad Roy May 14.5 84.3101  S COX. paid ad the Koven-Europe 122 = 1.1 GSe Nov 44.3 30.9 3108
For the Hong None; quote or HSSC sain RICCAN   SSUES   METYER   278 -1 4 8.0 2.1 Feb 26 1 8.000   Decimo   November 278 -1 4 8.0 2.1 Feb 26 1 8.000   Decimo   November 278 -1 4 8.0 2.1 Feb 26 1 8.000   Decimo   November 278 -1 4 8.0 2.1 Feb 26 1 8.000   Decimo   November 278 -1 4 8.0 2.1 Feb 26 1 8.000   Decimo   Dec	100 -1.4 8.85	17.3 1.5 May Oct 24.2 1966 Law Debenbers
Minut/col 314 -9 17.0 03 Get May 9 3 3465 Ottoman 5185 _ 014% 24 May 13.5 M21	Sec Comp.   24 -40   Emil - Apr 800   3.3 ASS   45 First Parming   47 -100   1.8   3.5 M   6.5 First   20 -6.8	10 New Jun   8.4 3765 Linescaped Ong
##FYI BI Scotland 178 -6 8.4 06 Feb Iol 11 5 2874 CONGLOMERATES ##Ferrant Solute V	74 90 74 90 74 90 74 90 74 90 90 91 91 91 92 84 917 84 917 84 91 91 91 91 91 91 91 91 91 91 91 91 91	Warrents
##TSE	Shoot	LS Aug Mar 66.9 27.1 — Cop 17578 — 56 4.51.50c.lada 262.5 15.6 — 14.00c.lada 262.5 15.6 — 14.00c
Chillegton: 28 -120 6.5 - Jun 11 11 2125 25 25 25 25 25 25 25 25 25 25 25 25 2	M Navy No. 125 -7 2.6 2.0 No. 001 -2200 PCDD PER ( Astronom No. 1200 -1.5 No. 1200 -1.	Sup
### ##################################	160 -68 3.0 08 Apr Nev 23 37779 ENTRY 23 -24 Feb Apr 15,5 1943 Watrants 63 -2.6 1 1 1 27 Feb Apr 22,5 - Entry 2 24 Feb Apr 15,5 1943 Watrants 63 -6.5 1 1 1 27 Feb Apr 22,5 - Entry 2 24 Feb Apr 15,5 1943 Watrants 63 -6.5 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	3 34 735 1.6 2770 Manuska 38 40 Cct Apr 17.4 23.3 1512 12.0 Cct Apr 17.4 23.3 1512 12.
Big   St Dota       186   -45   8.0   2.3 Main Rev   -1814   Big   Big   St Dota       180   1.5   8.0   0.7 km Date   6.4 28.00   Big	Sec. 4 185 -4.5 4.85 22 Feb Aug 27.1 4940 Deber 13. 2864 -12 8.5 4 Aug (3.7 229) Albumy 28 4.3 2 Feb Aug 27.1 4940 Deber 13. 2864 -12 8.5 4 Aug (3.7 229) Albumy 86 4.3 2 Feb Aug 27.1 4960 Deby Farm 8. 75 -26 04.0 4 494 Jun 16.4 2827 Albumy 19 4.3 2 Feb Aug 27.1 -0.5 - 1 107 4.7 4.1 48 4.3 2 Feb Aug 27.1 -0.5 8.0 2 Feb Aug 27.1 -0.5 8.0 2 Feb Aug 27.1 -0.5 8.0 2 Feb Aug 27.1 4.1 48 4.3 2 Feb Aug 27.1 -0.5 8.0 2 Feb Aug 27.1 4.1 4.1 4.1 4.1 4.1 4.1 4.1 4.1 4.1 4	.8 Peb 224 30 12 5255 Mediterraneum Pd 250 h -4 060c May 19.7 -254 35 New Jul 8.22 16 1555 Mediterraneum Pd 250 h -4 060c May 19.7 -254 45 Oct Age 644.1 23.3 1570 Mediterraneum Pd 106 -19 4.8 Jun Aug 23.7 30 12 3334 45 Oct Age 644.1 23.3 1580 Wiscond 7 250 -3333 46 Oct Age 644.1 23.3 1580 Wiscond 7 2 23.3 333 47 Oct May 126.2 23.3 1580 Wiscond 7 2 23.3 333 48 Oct Age 644.1 23.3 1570 Wiscond 7 2 23.3 333 48 Oct Age 644.1 23.3 1570 Wiscond 7 2 23.3 333 48 Oct Age 644.1 23.3 1570 Wiscond 7 2 23.3 333 49 Oct Age 644.1 23.3 1570 Wiscond 7 2 23.3 333 40 Oct Age 644.1 23.3 333 40 Oct Age 644.1 23.3 333 40
OF utter, STA. 366 -1.2 6.71 & May im 30.12 MAI Mosaic. 7 95 -9.5 3.3 Apr Oct 10.12 Curi Resco In Minimal Net. 7 427 -36 11.65 2.4 Oct Apr 13.1 278 Monter Chasham. 38 -28 2.5 & Apr Oct 24.2 May Resman	18	.1 Oct Apr. 26.7 - 1226 Marin Int Green
Shoowers in   174 - 4.3   4.6   Hay Sep - Misse Tany   6 390.3994   P-E Intl.	6.8 6.2 0.9Nev New 64 3571 M & W   804   2.55 8.5 Feb Aug 13,7 897 Bellie GW 150 177 Bellie GW 150 1	- 2.1.9 13.7 3670 Moorpate. 221 - 6.6 6.7 Feb Aug 149.7 15.6 3469 - 61.4 1677 1727 Wertenla. 25 - 6.7 Feb Sup Mr. 70 12.3 465 - 34.9 11.8 738 1729 Moorpate South. 26 - 2.8 1.10 11.6 1731 Wertenla. 25 - 6.3 172 24.5 1727 25 - 6
Kitin Y	22 -0.5 2.4 13 Nay Duc 6.4 3715 Which Food	2 Jet 18.1 1.6 4128 M Warrants 16 -6.3 - 1719 2Asr Apr. 112.8 24.2 4382 Marketon 14 - 6.73 - 1719
#Metrydown	47 - 21 22 05 Auj for 23 3757  48 - 57 28 4 64 29 3757  50 CV Li 25 - 57 24 00 25 440 MEAN THE A MONEY TRANSPORT	- 2849 Makuray Int
IV   173   1.2   14   Feb Jul   13.5 4392   MANDEY N   62 -01   -   1799 1202 2004   179	- 373 -16 8.06 2.1 am Feb 11.5 6002   Moint Prize office out	F Jan Jul 484, J 16 1917 Zen Die Pet 246 - 246 - 247 17 2845   Sup Apr 84, 7 24, 2 1917 Zen Die Pet 277, 1 2 - 127 11 7 2845
NV   No.	TOTAL 25 -6.4 22 1.7 Apr Sup 131 aggs Bacter bet \$ 23 080c -balance 58 1775 Warrants \$4 -4.0 of Pair an -6.2 - 4.7 Apr Sup 131 aggs Bacter bet \$ 25 080c -25 0.0 of Pair Dec 137 1818 Condover 0.0 of -6.8 of	10.5 - 1986 8.84 - 7887 5 May Oct 54.8 23.3 2062 6 May 64.8 24.3 2062 6 May 64.8 24.3 2062 6 May 64.8 24.3 2062 1 May 84.8 24.4 812 pc Cy Ln 2010. 1284 b. 128.3 3an 144.25 11 2017 1 May 3ap 4.27 8.3 2144 812 pc Cy Ln 2010. 1284 b. 128.3 3an 144.25 11 2017
Altrophon. 17 - 10.5	25 -2.4 1.65 - 11 MCrestotan 21 - 27 19 0c 30.9 2277 Cby Mc High YML a 86 -1.0 4.5 127 254 - 3.2 3.5 Feb Jat 15.4225 (Ctrum Special 1 142 - 3.1 5.0 Ger One 38.10 2225 Chry of Oxford 162 - 0.3 4.1 5.0 Ger One 38.10 2225 Chry of Oxford 162 - 0.3 4.1 5.0 Ger One 38.10 2225 Chry of Oxford 162 - 0.3 4.1 5.0 Ger One 38.10 2276 Chry of Oxford 162 - 0.3 4.1 5.0 Ger One 38.10 2276 Chry of Oxford 162 - 0.3 4.1 5.0 Ger One 38.10 2276 Chry of Oxford 162 - 0.3 4.1 5.0 Ger One 38.10 2276 Chry of Oxford 162 - 0.3 4.1 5.0 Ger One 38.10 2276 Chry of Oxford 162 - 0.3 4.1 5.0 Ger One 38.10 2276 Chry of Oxford 162 - 0.3 4.1 5.0 Ger One 38.10 2276 Chry of Oxford 162 - 0.3 4.1 5.0 Ger One 38.10 2276 Chry of Oxford 162 - 0.3 4.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 Ger One 38.10 2277 Chry Mc High YML a 86 -1.0 4.2 5.1 5.0 5.1 5.0 5.1 5.1 5.0 5.1 5.1 5.0 5.1 5.1 5.0 5.1 5.1 5.1 5.1 5.1 5.1 5.1 5.1 5.1 5.1	3. Inchrys: 14.4 1 - 2143 Milesentarizet V 34 - 29 - 12.1 3495 3. Inchrys: 14.4 1 5.3192 Meleve Throng Inc. 50 2 - 12.0 8.75 Apr Jul 27.2 15.6 3483 3. Inchrys: 8.80 1.6 3372 Cap. 52 - 7.1 18.8 3481 3. Inchrys: 8.80 - 3382 Westmants. 12 - 30.0 - 8.96 3481
### Bird Cycle   N   40   -2.1   1.23   1.2   Nov Jul   2.7 4   1855   MBPs o   2.2 1   -6.7   1.55   6   Jul   2.2   2.2   2.2   7   7   7   7   7   7   7   7   7	100   100	F Am 18.9 11.5.2222 ftm Amer Gas 37 -6.1 225 Nac-Scell 13.6 225 VL-25771 -6.1
8.4pc CV PI 475 -10 8.4s - UK AR 24.2 2862 Castellis 50 49 11 7 Apr 38 25 10 2221 7 1 p C Create 12 - 133 23 - No 810 2221 280 200 1 p C Create 12 - 133 23 - No 810 2221 280 200 1 p C Create 13 - 133 23 - No 810 2221 280 200 1 p C Create 13 - 133 23 - No 810 2221 280 200 1 p C Create 14 - 133 23 - No 810 2221 280 200 200 200 200 200 200 200 200 200	Nation Prince Givings - max com.	Mar Sup   11.0   9.3   2540   mOverseas hrv.   12912   -9.0   16.0   -4587   17.0   15.0
Epison 9 156 -25 Lb 19 Jan Oct 6 4 2488 MCountrystic 9 Mail -8.7 4.51 Lb Sep Rps 137 2248 Milyton Enth - 31 -2.9 2.0 - Nam May 27.4 2493 Milyes No.hof - 46 -48 8.81 - Apr 24.2 2275 Stype Milyes Part - 27.5 28.7 - Apr 24.2 2275 Stype Milyes Part - 27.5 28.7 - Apr 24.2 2275 Stype Milyes Part - 27.5	180 -0.1 GEB 29 000 M 115 M27 GRIVES G 474	L Out Apr 18.4 27.3 2796 W Warrants 9 9.40 102 5267 1 102 5267 1 102 5267 1 102 5267 1 102 5267 1 102 5267 1 102 5267 1 102 5267 1 102 5267 1 102 5267 1 102 5267 1 102 526 1 10
123 -4.6   3.0   - Nev   14.10 4832 Cussers	Dyon 143 -48 7.25 0.5 See M. 9.3 SEE Without 151 -160 9.45 + Det Apr 29.8 SEE Without Chip 71 -1.4 s. Inds. ↑ 271 -7 19.7 2.4 See May 27.4 MEP 141. Late 78 -12.3 46.71 MEP 15.7	Jan Jul   8.87   18.2650   2½ pc Cv Ln 2000   2001   11.5 Jul   18.6177   18.2178
Hewelson   48 -20 2.8   16 Mar Det 242 2977   mBallison   48 -41 4.3   10 Apr New 92 2953   ENG	North B (North B (N	- 102 2574 Riv & Merc Art Inc. 25 - 3 4 7.8 MyARM 6 22 15.6 4865 - 486 - 486 - 4862 -
167 -94 9.0 2.0 Dec Aul 115.2054 64-by 6 Croll 23 -4.2 -	11 -13 71 11 10 10 10 10 10 10 10 10 10 10 10 10	### 142.5 23.6 236 File & Mor Georgia ### -2 7.335e0eNate   112.2 27.4 2859
Lifeshal 94 -78 4.8 13.Ner May 93.3196 Jarvs. 39 8.8 01 38 38 11.3 38	24   124   -0.3 Marks   24   125   24   25   25	1.00
8 is p CV PI. 75 -59 M.H - Oct Apr 242 2009 34.00 & CV VAS. 77 -133 71 13 Me Vet 235 3198 Beautical Miles of the Community of	2 15 - Water State 10 - 14 10 23 11 5 25 Water State 11 5 25 11 5 25 Water State 11 5 Water	- BEA 64 - State of the state o
### Pilangian 94 -51 6.0 19 No. Aug 156 3062 Magneter 13 2 15 Nov 14 10 5095 Sooth Interview 15 15 - Dec 28 10 4779 Market 15 - 3 1 32 1.5 Nov 14 10 5095 Sooth Interview 15 1 3 1.5 Nov 14 10 5095 Sooth Interview 15 1 3 1.5 Nov 14 10 5095 Sooth Interview 15 1 3 1 3 1 3 1 3 1 3 1 3 1 3 1 3 1 3	30 12 LI 12 LI 07 174 100 110 1 ELD 0 LEIGUSE	1 bis Day 4 24 4 4 5 5 7 1942
######################################	124   42   135   136   137   138   137   138	11.1 1.6 2251 Warranta N 1115 -30 422 hands

The second secon

INVESTMENT TRUSTS - COML	MEDIA - Conf. CIL &	GAS - Cont. PACKA	GING PAPER & PRINTING - Cost STORES - Co	### NET A Day De Declared Lact Cy  174 - 0125    9 Feb 569 271 1366   154 - 0125    3 Jan   9 12 5271   154 - 0125    3 Jan   9 Jan   12 5271   155 - 156   3 Jan   9 Jan   12 5271   156 - 55   278   28 Jan   14 Jan   15
Notes Price chape not 16d capen at i.e.	W1-G. Dev Dir Obridend Lest City  Notes Price cityee vest care paid nd Yes 65 eVTR. 59 -34 3,4 12 May Dec 274 4601 96secione 55 mW/P 37 8.8 1130 4544 MElystad	\text{VPISS 50W 50W 50W 50W clothed Lest City} \text{Holess Pice chinge ret. COV pass 40 larg \text{L} = 822 \text{L} = -5296 \text{BisSoft Con} \text{42} = -5296 \text{Sinch Soft Con} 235 Jarvas Ports	Wind Div Do Doubles Last Coy Notes Press contings net cov paid at the Annual 19 -91	Wirk, Day Day Daydend Last City  Wirk Day Div Drydend Last City  Est Plute candge net city and of land  174 _ 01275 o Feb Sep 27 13685  18 _ 185 _ Jan 9123573  O.F.S.
Scot National Inc. 76 -58 E85AphyDaia 121.9 1839 III Capped PL. 1911 -4 525 Sep Mar 46.1 24.290 2ero Div Pl. 188 -6 116.8 -59	65 -8 4 p CV P 28 98 8.25 - Apr tiet 109 4829 +Brebard. 68 Watmoughs 456 -17 18.5 17 Nov Mary 233 4442 VPrings 0 62 Verhabite TV 174 -1.1 12.0 23 Mar Jul 1.5 4562 Brt Byros	975	FM 811 - 64 018% - May 274 - Morentos.  274 - 40 24 0400 - Felphatts 128 4808 Mikaliners  274 - 49 9.1 18 May Det 23 3225 8.7.5.1.23	51 -121 225 33 Sep Apr 242521 residue
Warrants 32 - 12.5 - 0.45 - 300 1	SE WERCHANT BANKS  WAR DV	26   247   -8   144   13   15   15   24   24   25   24   25   25   25   2	1 32 -59 0.5 15 Feb May 64 3251 septent Shap	Sec   -17   115   0 Feb Det   137 5117   200 (FeL)
Sert As Sect	MARIS   MARI	186 -37 125 17 Jan 5a 11 5287 MPartals 7 7.7 - 445 MPA 25397 MPartals 151982 Partiech in 180 - 3 (83.8 - Maksale 73 - Repol FM. 28 -16 125 18 Mar det 23 270 574 574 574	35 1.25 0 Jan 30;723451 Michaeline 358 -77 13.8 20 Res Jet 1:5 983 State 16.5 54 -49 9827, 10 Nor Oct 24 24851 MT 8 5 State 52 -21 8519 Apr 124 24851 MT 8 5 State 16.5 54 -49 9827, 10 Nor Oct 24 24851 MT 8 5 State 16.5 54 -49 9827, 10 Nor Oct 24 24851 MT 8 5 State 16.5 54 -49 9827, 10 Nor Oct 24 24851 MT 8 5 State 16.5 54 -49 9827, 10 Nor Oct 24 24851 MT 8 5 State 16.5 54 -49 9827, 10 Nor Oct 24 24851 MT 8 5 State 16.5 54 -49 9827, 10 Nor Oct 24 24851 MT 8 5 State 16.5 54 -49 9827, 10 Nor Oct 24 24851 MT 8 5 State 17.5 54 -49 9827, 10 Nor Oct 24 24851 MT 8 5 State 18.5 54 -49 9827, 10 Nor Oct 24 24851 MT 8 5 St	119 -48 5.0 04 Agr Feb 2964155 147 -15 125 - 8ct 1284137 211 -37 5.5 28 May New 2744183 Oxamond and Platinum 221 -37 5.5 28 May New 2744183 Oxamond and Platinum 222 - 10 Bec Jas 28.10 -
11pt Cr Ln 103/04	16 Class 8065	Petin 7 -674330 MS1 hes. Petin 381385 (Serii	242 -51 5.8 2.8 Jan Dec 274 4888 0 75 of teather	55 790 4542 40pc F1 300 _ 0280c
Weignam   12 - 12   25 Apr Col   11   242 88   Weignam   12 - 22   - 2		3 3812 132 0212 29 Mar Oct 10 10 2238 @Smerint.) 1419	10 - 12 and 10 a	WAYS Dur Dividend Last Cry  Spring string not cov paid up Les  340 -25 1640 23 Feb Sep 12,1925 Contral African
Suma 38 - 250 1.25 May 2.15 9.3 413 MTR City of Len M 1983 2 - 6.2 4.76 febbyon 253.7 6.4 427 MTR Euro Growed 8 75 - 25 1.8 Oc 27.9 10.9 487 PO 500 8 38 - 114 1.8 Oc 47.9 10.9 487	## Shops 6 Fits.	810 - 50 Stora B SA: usisma S. 63 3.3 2518 Milroscy R PS. 201 <sub>2</sub> - 12 0694 - Ad Bec 30.12 1635 5-Un Waln 3	2847 48 6626 07 May 115 1637 Machie 2 Aure   200	236 C0 14.4 2.3 Feb Sep 13.1 1919 Falcon 25 18 10.0 038c Main Dat 15.6 2558 18 10 18.25 2.2 Feb Det 26.6 2028 Warning Col 25 12 015c 5.0 Main 20.5 4424 1372 12.0 12.0 12.0 12.0 12.0 12.0 12.0 12.
Waternia 1412 - 94 - 1,24 137 289 11,4 22 14 137 289 11,5 22 14 137 289 11,5 22 14 137 289 12,4 137 289 12,4 137 289 12,4 137 289 12,4 137 289 12,4 137 289 12,2 22 14 137 289 12,2 22 14 14 14 14 14 14 14 14 14 14 14 14 14	METALS & METAL FORMING  WAS DIV DOOR LINE ON METALS & METAL FORMING  WAS DIV DOOR LINE ON METALS & MET		97 -49 8.25 1.3 Jan Bet 11 5.415 Hk Telecon S 71 8.9 - Jan Jel 156 1262 Kk. Telecon S on (A) 188 -67 7.9 15 Jan Aug 296 4415 Sebustor. Cam. 14 -222 870 4448 8 A 3/7/	69 - 12 039c • Dec Set - 4822 Zambur (pr SBD 34 - 16 980 4588 - 18 - 18 - 18 - 18 - 18 - 18 - 18 -
### PSCPC - \$ 7432 - 6.0 f.25 Apr 41.9 93.451 ### PRO	Notes Price chage net cov paid vol live MiGos Petit   20 MASW   Notes Price chage net cov paid vol live MiGos Petit   15 TACON Metals   177 -41, 345 26 Jan Jul 16 1458 Williams 177 -42, 345 26 Jan Jul 16 1458 Williams 184 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1853 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1854 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1854 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1854 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1854 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1854 Williams 194 August 144 -0.0 64 2.0 Nov May 6 1854 Williams 194 August 194 Au	11 -123 125 36 May 54771 Wood (SW) 125 25 362742 125 24 362742 125 24 362742	ERTY TEXTILES	5 314 19 3.8 17 Feb Am 156 5555 Angk Amer R
Zoro PL 113 428 113 42	19 WEST STATE   22   2.0 (14 Feb 20.5 1787 Wind Feb C 19 Bibbs (17   199 4.25 4.1 9ct New 23.2 1829 Wind Feb C 19 Wind Feb C 23.2 1829 Wind Feb C 25.2 6.0 2.05 1.3 Jul July 13.2 23.2 6.0 2.05 1.3 July 13.2 23.2 23.2 6.0 2.05 1.3 July 13.2 23.	77 - 18 - 25 IT Jai Ref 115 3031 No. Abara	While Day Die Develored Last C-y, Nobel Motos Price cringo nel cov pard to fire Alexan. Nobel 110 - 2254 Marketantra Work	\( \text{VV.} \) \( \text{Unv} \) \( \te
Warrants 85 -23 7.15  1pc CV Ls 2001 18845 -11 01% Apr 0cl 233 eaz  Thorasson Civa. 129 -15 2.8 Jan 185 81  Withornton Assan 61 -15 4.8 Jan 18.1 15.5 584	- Chamber & Fell. 185 -125 E.9 24 Jef Dec 156 2100 95, nc Co. 210 colons (A) 79 18.9 - Feb Aug 29,6 2161 Big-Mid 6.5 - Cook (Wm) 219 -9.9 18.9 24 Jen Dec 25 11 2232 Mobil 5. 2 Cook (Wm) 29,6 216 218 -9.9 18.9 24 Jen Dec 25 11 2232 Mobil 5. 2 Cook (Wm) 21 2 Cook (Wm) 21 2 Cook (Wm) 22 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	PY 106 -9 8.5% - Joi Jes 1 2 111 App Ct	Rd P1	BT -6 B 7.6 Q3 Jan Jel 155 1665 Genoor R
Tromitos Pan Euro 25 -8.5 Lb May 3.75 8.4212 Warrants 11 5.85 Lb May 3.75 8.4212 Trong Dust inc. 77 -1.3 Lbshvanish 60.8 15.5 421	Commistrate	18		3 285 -3 11.1 27 Sep Jon 6 2948 Unione 5 - 1 MS -37 Office 22 Nov May 309 1237  51 115 23 Jul 294 3126 Monarch Res 72 29 3401  55 -18 12 - 1 115 209 Nov Was Re 10 10 10 10 10 10 10 10 10 10 10 10 10
##Thest 1000 Birth Ga. 93 - 29 93 508 ##Thropmorton Tot. 41 - 15.0 2.3 Aug Apr 127.9 242 422 Warrents 1 - 15.4 12.9 422 For Tang USAI see Theogenation 1000 Shar Cos	Manuscos   Mariery	Series This 19 (State 1994) or 5.5 (This leaves 1994) or 5.5 (This lea	2512 -38 - 181 1807 MCCores Viselin 274 2016 MCCores Viselin 274 2016 MCCores Conti. 274 2016 MCCores	172 - 6.5 7.8 12 Jan 3dd 15.2 178 Rand Mares N
Ter Inc. K 558 - 3.2 40.01ah/y.ly0n 13.5 29.6 435 Cop. 553 - 6.5 SJ Nov 13.9 30.9 425 Trio Inv Tet. 554 L 1.6 Nov 12.9 10.8 Inc. Trio Inv Tet. 1554 L 1.6 Nov 12.9 10.8 Inc. 1554 L 1.6 Nov 12.9 Inc. 155	77 + Matter 174	7 13.5 - 5 0961 0 May 25 - Minamia	25 - 3.8 1.8 - Des 26 10 1982 MDC+xt-151	26 - 27 0.72 34 Jai Nev 274 2249 Weltom R
Warrants 35 -64 - 1.29 -277  BUSDC 146 -8.3 4.28 Apr Del 55.1 25.3 Apr  US Standar Cos 90 -4.1 - 12.9 -655  Warrants 22 -68	7 Stankes Metal 38 -29 52 497 Ed. 24 2327 Presido A: 5 Sycamore 18 4123 Ed-Ranger C 2 Toysen OM 168 -64 E275 - 280 753 4228 Editionom	118 D78c - Faliphan 30 4 498 MBarlord. 48 -21 1.8 0.7 Jul 11.5 3782 MBarlord. 118 12 044 - Apr 24 3 3778 MCAns Ext	## 4.45 2.00c May 6.44530 F55ct (1)	53 - 36 6.5 - 3 led 16 2525 VCRA 621 06 044a 19 May Nov 21 10 2286 606 - 0 3.83 0.5 Max Ang 17 2532 VCenteral yint 3 200 130 - 5.3 4.56 19 Natry Any 6 4 2552 VCenteral Product 28 2006 131 - 6.5 0.2 Oct Jul 11 5 2860 VCenteral Product 28 2006
Value 6 Inc. K 6412 = 3.0 3.8 Jan Jul 25.5 1.8 438 Vantari 812 1.02 = 1.02   1.02   1.02   1.02   1.02   1.03   1.03   1.03   27.4   1.03   27.4   1.03   27.4   1.03   27.8   27.8   27.8   27.8   27	8 MT/plas Lloyd 148 -7 7.8 o Piss Sep 3012 4372 y Sentos A1 Uld Industries 8 -790 - 791 4899 y Sceptre Schumber:	107 0.9 O'the Jan May 10 4 3715 5 4 pp PL 10 10 10 10 10 10 10 10 10 10 10 10 10	87 -19 5 4 % - Apr Oct 213 2053 F26725 1/1	1 91 - 3.0 1.7 Nov Agr 93 2851 VDeta Gold 48
Wetch Ind. 135 4.5 Dec 1.82 11.11 448 Whithread Inv. 883 -6.7 18.0 Jun Jul 348.8 7.5 485 184 849 871.7 27.1 452 184 849 849 871.7 27.1 452 184 849 849 871.7 27.1 452 184 849 849 849 849 849 849 849 849 849 8	WISCELLANEOUS MISSHEIT TOUR STANDARD ST	488 - 2.7 28.8 1 1 Here Many 24.2 4083 City 546 Ed. 27 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	TOP PL 43 -45 5.88 - Apr (eq 24.2.2121 MFADDS	12
Yeomen Inc	MANartoyle	12	18   18   18   17   18   17   17   17	Miles   Mile
Winds Div Dividends like Last Co. Notes Price chings net paid papers at in	Ass Red Cooling 48 -100 49 4 6- 0- 040 9001 WHILE EN	17		1 98 -32 4.46 2.1 Jan. Jan 115 3230 9Meekalbarra 20
Warrants 111 - 4,83 - 4	1214 pc in 192/08. 1715   -4 cm   26 4 mm bes 27 4 1716 Wwoodside   -1817   -54 - 54   -54	AS 140 Qtt: 1.5 May -4835 Deriver Val Barlos Hous Davier May	a 12. 32.4 1400 EP-redict 1 Inti	30 -118 4.8 2.9 did Agr 2.2 3634 9Montague Gold 612
Foliary Jap 07C 276 -7 - 18.5 -6792  27 8.52 -6792  Visit Pacific 8 8 01.85 - 19.2 -6552	Black Arrow	IND A U CROS	cy 10 200 17 few Apr 34 2496 Sternmad urp.	. 60 _ 60 h. 2.3 m May 10 50444 WMB Hill Poko 66 _ 075c 22 Jaco Date 24 4 3524 h 138 -7.4 2.28 46 May May 27 4 4762 WPoncontented _ 0 26 Date 27 Bet
	2 Schitt Grands 42 1991 After Corp. 8 2 Bibuters 1992 Balance Social Schillers - 1993	93 -51 4.13 36 Apr Oct 23.3 4906 Ewart	E3 39 0.76 4 Mar Get 34.2.2512 Tomkinsons	265 - 27 11.5 1 Jan Lai 2964121 VPtern Pacific 111 Fellin 265 - 27 11.5 11 Feb Lim 1 5 6 257 VPtern Pacific 51
Warrants 486 D2	Coletax &		Est 7 286 -4 15.8 O.S. New Mary E. S. 2525 Current (F)	01 -36 55 15 M   15 191
Hungarem inv 8 (37 t) - 27.5 -6276 India Fund. 194 (4.8 Aug 196.7 25.6 - India Fund. 281 - 6.58 - 6.	Const. 1.5 254.5 12 Jen Aug 1.5 254.5 Cambridge 1 MDetails Beu Syrt 284 -4.5 8.75 4 Jan Jel 29 5 1535 Cambridge 1 MDetaile 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	nv		5 6 - 11 1 23 16 Apr 22 485 95 pa Resources 111; -81
Int Int Tel. ley	Producting January 10 88 4.8 LT Sup Apr 242.4541 4.36 po 07 5 FEFS 16 - Pith Aug 97.2419 Caber Allen-Blot	97	2 48 -6.0 4.1 - Jai Nov 115 2867 TRANSPOR	Witch Div Dr. Davidend Last City Time
Mar   Findgo Jap V   163 to   -7.2   -	MEmocopy	19 -26 1.1 22 Apr Det 23,3 2420 MK Land MG 11 -25 19.6 1.3 New New 64 2417 mp/NOCO 17 -11.8 191 297) James New 191 297	80 -6.2 ORe + Aus Nov 15.5 2784 All Niggon Au	255 - 34 8.0 15 May Her 23.3 1676 Copeng MS 85m -2.3 05e 0 Aug 13 2726 392 -63 0105 0 dot -4854 Maleysia Mine MS 30 012a 0 Dac 8-9 26 10 2272 63 -3.0 048% 21 May 28 4 6060 Petaling MS 100 010e 17 Mar 242 3844
JF Pacific Writ. 284 - 18.5 - 2836 Warrants 89 - 33.3 - 8.25 - 21.6 - 3038 Pf (Pagis) - 223 - 21.6 - 3039	TENTONICONS LE LE STOR REPORTER OF			125 - 27 18-1
Jepan Warrant 12 - 12.6 - 1984 Warrante 13 - 2.59 + 1884	Futura: 194 1.25 - Aug 20.5 2945 Highcorn LW Wilesteiner 1924 - L. 0.2 0.5 Now Aug 13.7 2868 subsvision 18 - 190 2258 Spec Cv 95 WyGlochowsko 18 - 0.3 2.5 Now Aug 22.3 2765 Spec Cv 95 WyGlockst 0 0.3 2.5 Now Aug 22.3 2765 Spec Cu 95	175 - 17 4.0 24 550 M 16 - L80 M98717 M 16 - L80 M98717 M 16 - L8 11 Jun Oct 54 1906 Lon 5 4500.  00 - C76½ - 8 0675 - Jul Jun 2351920 Lon 5 Ed 57 M 16 M 17 M 17 M 17 M 18 M 17 M 18 M 17 M 18 M 18	4 pc DD 1704 4	718 46 62 1348 10 -44 730 2314 MITBURRE Expl E 8-29 4 1348 96 -30 1.5 13 Jun 27 4 1811 Misute - 2 2024 205 -62 4597 WCaledoriu Mr. 17/5 94
Jersey Proents. 1 28 8.28 Security 2 2.5 1.6 4817  Warrants. 13 13	## House   S	116 -3.3 6.76 16 Jan Sep 30.72 8812 7 kpc Dv T 174 -4.0 ft.0a 3 1 liev Jan 11 10 2814 M. Jon & Meth 1 180 -2.8 8.8 10 Opt Jan 11.5 3818 Micro Securit	10/05	183 -0.3 8.6 3.5 Nov May - 1382 WcEnney Intil C
Makey Enry Co's 8	#Heritags 28 2 12 Sep Jer 9.3 495 Lightship 212 Lightship 212 Sep Jer 9.3 495 Lightship 212 -1.4 Lij 17 Sep 8.4 222 Lightship 212 -1.4 Lij 17 Sep 8.4 222 Lightship 213 Li	5 -9.1 9202 MMEPC	284 15 20.8 14 Jul day 1,5 2340 35230 1.0 2 3291 Lon OSci	197 -1 2 047% 24 May Sep 64 2885 Ges vor 44 8 685 2870 22 -65 1.8 0 9 May Oct 4 3197 115 Horose Expl 8
Sub Fi 277 -28 0524 May - 15 344 Rollingo N.V. 12613 -25 0215% May 1316 1.5	Teology	T 47 -6.0 2.76 1.3 Mar Jul 15.5 4691 Merivale Moo  100 -4.4 8.8 1.9 May New 23.3 3289 Merin Ivil	515. 28 -04 8.8 - New 16.94866 MDccart Gro	
Sup FL 281 -2.5 SPLB; May - 1.5 SBST Strater Jap Wm. 46-1.5 4.85 -5196 Westerlay 17 - 8.85 -5242 Sam Fd Rd Ptg 1947 0.8 - 8841 -4867 STape 8 SSSA08 S 281 -6.5 GST-9 Mar 2.45 -2344	#4.9 Crease: FFr 287 Q180% 2.8 Jan 11.5 Str4 Mrst Home 14.5 Crease: FFr 2864 Mrst 71.5 Str4 Mrst	Loone		342 -95 30.5   DMsq May 54 3978 North Yest Expt AS. 3
Stir American Fd	BBF Lineade   Houses   40	P) S	dist. 45 -22 31 10 3474 Gapter F	8 -70 42 28 Det APT 242 3988 Western & Pac C6. 9 -143
Warrards	MPentiand 134 -15 235 1.5 Nov. Jul 11.5 1817 Secure Trust	182 -8.6 8.16 3.1 del New 14.10.3893 Paimerulon_   42 3.94 - Jan 3d 28.12.3894 Pegt   Pinca 87 -1 1.8 16 Dec del 15.6.3625 Power Corp II 410 12.8 2.3 den New 64 1472 metror	38 -50 1.76	803 -2 101 23 Nay Oz 64429 2114 -42 17.1 25 Jan 9ct 137429 211 -70 8.1 17 Hzv May 233492 GUIDE TO LONDON SHARE SERVICE
Net esset values supplied by County Vandified Wood Mackensia an 3 grady only.  NA SECOLA.	Photo-Ma.   337	74 -3.8 8.5 - Jan Jul 16 4845 MProp Sec In Tuel 60 - 8.0 2.5 Jun Ang 13 2348 MProp Sec In 118 - 4.5 37 Dan 25 11 2199 MPRoban	N 83 44 3.75 • Apr Out 27 1 3728	Company classifications are based on mose used for the FT-Actualities indiced and FT-Actualities World Indiced.  Whish, Div. Div. Dividend, Last, City, companying a processing special processing and period of the City companying a processing and period.
Notes Price chings not can, pulgi tel Bus America America America Chings not can, pulgi tel Bus America America America Chings not can, pulgi tel Bus America Chings not can, pulgi tel Bus America Chings not can be can b	##PSS ## 24		165 1.38 28 des Jet 30.12 3899 MAngian	Proce chings not cov paid and limit where stocks are denotiverted in currencies either man shelping. This is indicated \$61 -6 20.0 in the limit 296 - after the name, 200 - after the name and the name
### ### ### ### ### ### ### ### ### ##	##Sprange	R INDUSTRIAL MATERIALS WICK Biv Div Dividend Last City Statistary. Work Prior citings not cow, yand and to Sheatbary.	9	419 -12 19.87 24 Det Feli 1 55.922 overledd (99.5 to profit later Euclino), explaining incompliants grown crystal part 1 15 23 Oct Ber 15 56.922 overledd (99.5 to profit of overlatte), 477 Marrier Copiazz-bland 1 9.84 -47 14.3 29 Oct Ber 25 56.922 of Tudelony, shadon, enclosing to extend for the profit benefit funds.
Alsor Radio. 19 = 4238  Spc Cv 2001 288 2 89% - Alsor Sep 242 1161  Blangla TV. 3 190 = 21 7.34 1.4 kg they 6.4 1011  Blanesco 77 0.5 - Agr 10.2 17.79  **BBB Design 13 - 970 7779	## 40.1 2.84 3.7 Bits Aug 29.8 4899 Amber Ind. ## 40.1 2.84 3.7 Bits Aug 29.8 4899 Amber Ind. ## 40.1 2.84 3.7 Bits Aug 29.8 Au	180 -1.0 7.9 23 Jel Out 9.3 1495 Sector Goldon 270 17.0 19 Jan Aug 9.12 1994 Sector Goldon 244 E.89 0 Det 123 1871 Sel Jan Mel Pl 185 47 18.8 1.8 New Year 23 1897 45940 (c).	117 -G.4 11.56 13 Oct May 64 4038 MSouth West	480 -45 21.7 25 Sep May 1.5 5482 modicates the mager activity traced strate. This implicity (A. stocks will environ a company of the company
Black (A & G). 980 -8 120 120 120 127.4 1841 120 120 120 120 120 120 120 120 120 12	### 15   16   16   16   16   17   18   18   18   18   18   18   18	3. 134 -135 1384 Wattants. 5. 1920 1998 Stype Cv Pl 150 - 120 1998 Stype Cv Pl 150 - 120 1998 Stype Cv Pl 150 - 120 1888 Stype Wattants. 1998 Sty		A42 - 2.6 18.8 2.4 the Feb 29.6 5492 o "Tay Sept"  1 Internal state registred or resourced  1 Internal state to consider a constant of  1 Internal state to constant or appeared  1 Internal state of the September
MCariton Crotos † 5794 -24 15.5 1.8 Apr Aug 13.7 2073	### 23.3445 BH Prop AS- ####################################	### ### ##############################	ht	64 050s 0.7 Sep Feb 27   2718
612 P P	Westerman Part         8         19 - 17.4         2.0         0.2 Oct Apr         9.3 5044         BCookson           Behffston         14         -	182 -6.3 6.8 0.8 feer Jul (4.223) Mb/Transfere 48 -6.3 4.6 1.0 Jun Mey 23.3 2435 McLand	904 17 71 -63 44 - 50 428 New Nan Prip 129 4316 OK Bazaris - 12	100 0376 - 046 11 11 5223 * 1147 a late to suspendent scrip and at rights cause cover relate to 225 _ 1 0714 = 046 22.9 2979 * Proceded discovery other pending scrip and at rights cause cover relates to
Colorgraphs: 259 4.01 - 1009 27.4.2100  RFCrown Course. 7 2524 - 3.5 118.0 12.7 200 41.65 2500  REMAP 7 250 -2.0 7.5 2.0 404 50 155 1457	MOTORS  Expanse tot  With Div On Dividend Last City Headway	66 -341 16.36	ol Lon. 2012 -112 173 11 May Oct 223 4441	Side right.
Fitch #1	Article   214   109   4.7   1.3   1.3   1.5   4495   matchedrane   1.5	16-br	S Beran 2	Price chings intl cov paid and line is Figures boase on Special payment Cover 1991-92  36 0.36 - Intl 16 1818 official extinutes special payment. If Designed research or designed and the second payment. If Designed research or designed and the second payment of the second payment. If Designed research or other second payment is second payment.
##Solid Greentee: 224 - 22 #.3 # Apr Oct 10.2.2718   Sociited:	MANON Robber   1825 - 5.6 18.5 1.2 Jai Feb 1 5 1713   MANOR COS.   1838 A.   127 0.8 7.5 1.2 May May 23.3 1778 OM Incl.   1878 A.   1879 May 24.3 1778 OM Incl.   1879 May 24.3 1778 OM Incl.   1879 May 25 1874 4 Contombring MBSG Intl.   1879 May 25 18.2 3.2 0.9 May 36 Jai 77 4 1770 PSC Dutlop / 1879 May 25 18.3 3.2 0.9 May 36 Jai 77 4 1770 PSC Dutlop / 1879 May 25 18.3 3.2 0.9 May 36 Jai 77 4 1770 PSC Dutlop / 1879 May 37 4 1770 PSC Dutlop /	16 5.21 0.7 Feb Aug 1.12 2002 8	Notes Price on ngo nel cov paid of fine Goldon Hope MS	34 — OR: 12 May Nov 64 2039 g Assumed devidend. prospectus or other 1592 11 — 07111/s: 0.9 Jine Row 115 2089 b Assumed devidend onhold extracts the P Figure; based on 1592 213 15 Apr. Oct 24 2 3 108
Harrington Khnde 1, 185 – 13 4.5 2.3 Det May – 1882 Haynes Publ. 1 187 – 2.5 2.9 Apr Mer 242 2868 Headlan Book. 188 – 18 3.8 22 88ay Det 242 2818 Holmes March 18 13 – 3.3 28 Apr Sap 242 2818	Bostrom	283 -64 6.8 21 Nov Apr 93 3888 Armotis IC   1894 -29 5.36 21 Jan Apr 13.7 3855 ImAgNey (Len 286 5.4 486 -74.5 per 15.6 496 -74.6 per 15.6 496 -7	158 06 010% 1.9 am 0m 11.5 1357 121 82 -68 0.1 83 Janu 27 4 1354 1984 -11.2 4.85 25 Jan Any 137 1871 222 -22 10 11 Jan Bre 27 4 37 98	previous lots:  a Rights assue pending: a rights issue: a Examines based on preformary liques. a Busined acquired a
independent 6 388 U475 13 may det 27/7 1448 412 -143 430 2967	##Cook (IC)	32 790 4199 Bearile (J) A. 469 07 1134 • Asr Oct 27 1244 Bentalk. P! 208 -1.4 5.8% - Use Jan 115 4245 Bentalks 165 -6 64.% - Am Jul 115 5773 BRiorius Lebu	144 -7 9.75 20 Nov 3el 11.5 1784 Teas 112 -74 3.85 0.6 Jan Nov 27 4 1859 Moran	153 1.0ian Apr 24.2 3411 Inducted deviced:   1991, official estimates   1991, official estima
### 15.4 3219 #### 15.4 3219 ##### 15.4 3219 ####################################	21 Apr Aug 296 8972 Virten   128	282 -1.6 6.8 28 Jan Jel 115 4484 MBady Shop 800 -54 9.1 10 Jel We 115 467 MBady Shop 58 -6.5 4.0 12 Jan Aug 298 4494 MBady Shop 6 Jel 907 -4.9 1935 15 Oct See - 84 4594 MBady Shop	381 03 LA 55 Jed Jed 1,5 1854 MEINES	# Forecast, or estimated # 1992-91 Abhreviolations:  WY-5 Div Div Brinderd Last Cuty rath cover based on dividend, cover based on dividend, cover based on the est annual at a soft cover based on the est ann
- Miletin Radio. 169 -65 5.8 1.3 Jul lam 15.6 1485 Middende Radio. 93 -11 2.5 1.9 Aug. Nar 15.6 1485 Middende Radio. 93 -11 2.5 1.9 Aug. Nar 15.8 4984 Miletin Ciffer. 280 -61 13.2 1.1 Mary lat. 12.3 3413 News Corp AS. 856 -2 018c 13.7 Oct Agr. 3.4 3488	## 43 28.5 0.9 May Nov 9.3 2995 55 pc Cv P  Ben Motors Uta h 181 4.7 182 5 - 3 pc Cv P  Benvings 39 -25 2.0 - Jen Nov 8.4 4847 5 pc Cv P	114 -34 5.63% - Jor Dec 16 4868 Cantors - 4 30# - 816/5 3.2 Jul 10.9 1162 A	283 -14 LB 2.5 Jan Jel 15.6 1985 2 367, -88 LT 20 3 Feb Jel 15.6 2935 483 49 40 Apr New 27.1 2855 167 4.0 40 Apr New 27.1 2855 2 305 -2.6 12.5 10 May 61. 22.3 133 5 75 -10 7 3.75 New May 64 22.3 133 5 75 -10 7 3.75 New May 64 29.3 133 5 12 7 672 19 Dec 12 5 2 5 2 5 1 1 1 1 1 1 1 1 1 1 1 1 1	45 Q55c - Mar 271 - This service is available to companies weaps; stores are regularly traded in the
## RM Cws Art Spec Div	178 -33 3.55 43 Hov May 6.4 3113	GING, PAPER & PHINTING Coles Myer AS		United Magdom for a tee of £1200 a year for each security garwell, subject to the Effort's discretion  2 Q8.5c Apr   17 -12 E Q25c    17 Jun Opc 28.10 1928
Ports & Sand 513 - 2 8.8 37 kmg dae 236 387 mg/Princocke 25 - 31 - 227 1	Lookers Spc Cv Pf 57 8.8 - Mer Kep 24.7 Year Services Managed Princes Index 99 - 13.9 7.8 1.7 Jan Jan 64 6 3222 Williagden Int Warranto 11 - 25.4 - 2005 Williagden Princes Int Warranto 11 - 25.4 - 2005 Williagden Int Warranto 11 - 25.4 - 2005	94 2.1 11.75 1.6 Nov May 15.6 1821 WDm/nd. 255 -2.8 9.3 14 May 9ct 23.3 1849 MEra. 9 773 -3.9 22.8 20 Nov May 6.4 1869 MEra.	472 -28 7.7 3.2 Jan Jai 15 C 2386 Eastern France 21 -125 11 39 3491 ERGO - 11 39 3491 ERGO - 1 387 71 6.8 17 Jan Jai 16 2498 Kuross - 1	99 — Usec 10 toler and 313 2395 30 Dirke 6 dei lan 3012 — 59 -(5 059c 30 Bcc am 205 2395 FT Share Service 63 24 055c 20 59c Bdr 27 (2779 The following change has been imagin to the FT Share Information forms
March   1911 - 13.1   17.0   3.0 Sep May 23.3 8016   23.3 8016	MPendragan   231 -9 0.0 1.8 lbd Nev 27.4 1614 day reyoten   Peny 8rp   136 -75 9.0 0.9 Bet bet 11.5 380 7 12 p C 80   Quicks 6rp   123   3.8 1.7 few bet 27.4 3748 Brown-Yett Standardon M. C 96 -7.8 18 3.7 May New 23.3 3915   MSent	417 - 12 9.9 27 May New 27.4 3966 MERice Art Dev PL 213 - 712% - Jun Dec 16 4791 Pred Earth Corn 17 May - 4772 Mericach Corn 25 - 7.6 4.0 12 May Jul 64 2868 Michaelson Michaelson	85 - 71 AJS U9 Nov Apr 23.3 ZZOT Rangier	4 -200 D2Sc 09 Mar Sep 102 4763
##Southern Radio 55 -0.5 #99 8038 8504thrama 82 -21 1.6 2.3 Ang Jane 15.6 5081	## ## ## ## ## ## ## ## ## ## ## ## ##	tabox         1725         -45         37%         3.6         Jum         16.6         4389         Great Universe           180         -27         2.8         4.9         Jun         27.4         250         maily A           205         0.3         82.75         56         90.1         May 22.19         1384         eHampdan Ho           7y	### 41.9 30 Mer Dec 10.2 27.48	194 - I MIR ALBIND MINERAL     CHACK PUSING FUCCES
Sunset 8 Vine 163 1.5 29 the May 6.4 8383 15 TSW 8 75 494 1.8 Jan Dat 11.5 4322 16 TSW 8 75 57 15.77 1.1 Nov May 23.3 4162 17 15 15 15 15 15 15 15 15 15 15 15 15 15	Varity (Feg.) 127 -23 40 + fer Oct 23 Sake Craftey- Volcasions DM 122 -23 30 57 - Copper (1) - C	164st -41 0.0 3.4 Am Amp 13.7 2231 McConfisher _ 4 674 2.0 1631 1.7 Jan Jan 15.6 2234 McConfisher _ 515 2234 McConfisher _ 10 15 234 McConfisher _ 10	449 -11 13.0 25 Jal Nev 11.5 4525 Doormicratin	181, 156 089 2384 578 9 01656
7-4oc F1'08	Oll. & GAS  Wiss Dy Dry Drydend Last City Essella Skr  Notest Price chinge rest cov. pand xd lee Ferrysand  Ship Dry Price Land Cov. Percent Last Cov. Pe	256 -9 12.5 1.3 1966 4M 1 h 2565 Alcohoft	Note 1 227 -9 0.77 48 Just Date 6.4 3172 Liberton 180 -30 7.5 -Nov May 23.3 3173 Southwall 1 72 -1.4 4.5 8.5 May 0ci 274 4274 Sufferien 1 100 - 385 -3 7.1 22 Jun Aug 16 5292 Vasi Rects 1	387 10 4986 33 Feb May 30 12 3164 24 25 26 27 10 50 4 250 2 105 pm Mar 12.8 4085 2 11 50 pm Mar 12.8 4085 2 13 -2 5 - 31 -2 5 - 31 -2 5 - 26 Mar Say 12.8 4087 min at all other times.
May Traison	MAYIYA PARIFIL 35 -12.5 5783 5839 Intereurope To	3 40 53 0.4 • Note 1079 2882 Manufacts ()	385 1.3 189 • Apr Bet 10.2 3539 vehetripost	23 15.9 37 1274 46 70
•	•			

LONDON SHARE SERVICE

Vit. PI Sia Dis. % E 100a : 05 6.5 32 : 24 6.7 355 : 14 6.7 356 : 454 5.3 71 865

## NEW YORK STOCK EXCHANGE COMPOSITE PRICES

Chigo
Chigo 30 33 \( \frac{1}{2} \) Avenet inst \( \frac{1}{2} \) 22 if \( \frac{1}{2} \) 30 27 \( \frac{1}{2} \) 37 \( \frac{1}{2} \) 44 Aven Prints \( \frac{1}{2} \) 44 Ball Corp \( \frac{1}{2} \) 25 \( \frac{1}{2} \) 45 Beth Prints \( \frac{1}{2} \) 25 \( \frac{1}{2} \) 45 Beth Prints \( \frac{1}{2} \) 25 \( \frac{1}{2} \) 45 Beth Prints \( \frac{1}{2} \) 25 \( \frac{1}{2} \) 45 Beth Prints \( \frac{1}{2} \) 26 \( \frac{1}{2} \) 47 \( \frac{1}{2} \) 26 Beth Prints \( \frac{1}{2} \) 26 \( \frac{1}{2} \) 47 \( \frac{1}{2} \) 26 Beth Prints \( \frac{1}{2} \) 26 \( \frac{1}{2} \) 48 Beth Prints \( \frac{1}{2} \) 26 \( \frac{1}{2} \) 48 Beth British \( \frac{1}{2} \) 26 \( \frac{1}{2} \) 48 Beth British \( \frac{1}{2} \) 26 \( \frac{1}{2} \) 48 Beth British \( \frac{1}{2} \) 27 \( \frac{1}{2} \) 26 \( \frac{1}{2} \) 48 Beth British \( \frac{1}{2} \) 27 \( \frac{1}{2} \) 27 \( \frac{1}{2} \) 28 Beth British \( \frac{1}{2} \) 27 \( \frac{1}{2} \) 28 Beth British \( \frac{1}{2} \) 28 \( \frac{1}{2} \) 48 Beth British \( \frac{1}{2} \) 27 \( \frac{1}{2} \) 36 Beth British \( \frac{1}{2} \) 27 \( \frac{1}{2} \) 36 Beth British \( \frac{1}{2} \) 27 \( \frac{1}{2} \) 36 Beth British \( \frac{1}{2} \) 27 \( \frac{1}{2} \) 36 Beth British \( \frac{1}{2} \) 37 \( \frac{1}{2} \) 38 Beth British \( \frac{1}{2} \) 37 \( \frac{1}{2} \) 38 Beth British \( \frac{1}{2} \) 38 \( \frac{1}{2} \) 37 \( \frac{1}{2} \) 38 Beth British \( \frac{1}{2} \) 38 \( \frac{1}{2} \) 38 Beth British \( \frac{1}{2} \) 38 \( \frac{1}{2} \) 38 \( \frac{1}{2} \) 38 Beth British \( \frac{1}{2} \) 38 \( \frac{1 

44.45 

2.32.32.32.33.47.18.33.18.78.23.18.18.23.1

2 363 10% d30% f 1.86 6.0 % 215 32% 32% f 707220 5% d552 180 24 2% 11 50 5%

2012 2013年10月12日 2013年12月14日 2013年12月14日 2013年12月14日 2013年12日 201

10 to 10 to

. .

Jeit no Isto

## NYSE COMPOSITE PRICES NASDAG NATIONAL MARKET PRINCES NASDAG NAT NASDAQ NATIONAL MARKET 47% 38½ VF Corp 1.08 2.5 14 581 45% 45 45% 35% 32½ Verce Ex z 0.44 1.7 804 25% 24% 25% 11% 7½ VerlarchGes 2.00 24.6 4 185 8½ 8 6½ 17% 7½ 52½ Verla for C. 20.2 6.6 16 60 5% 5½ 5½ 5½ ½ ½ ½ ½ Verla for C. 20.2 6.6 16 60 5% 5½ 5½ 5½ ½ ½ ½ ½ Verla for x 0.60 3.3 78 128 16½ 18 18 18 18 12½ 54 55 Verlamp 19 0.54 10.5 806 8 7½ 8 18 9 7½ Verlamping 0.50 10.6 82 8½ 8½ 8½ 8½ **AMEX COMPOSITE PRICES** | Pr | Sic | Div. | | 100m | High | Low Close Chang | Shock | Div. | | 200 | Sigh | Low Close Chang | Shock | Div. | | 200 | Sigh | Low Close Chang | Shock | Div. | | 200 | Sigh | Low Close Chang | Shock | Pr | 0.44 | 4.15 | 4.15 | 4.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1.15 | 1 4:00 pm prices July 24 -Jg Labarge 25 -Jg Labarge 26 -Jg Labarge 166 -Jg Labarge 178 2 137 1½ 1½ 1½ 1½ 8.40 41 85 10½ 10½ 10½ 18.30 42 134 30 2½ 50½ 201 102 7½ 7 72 30 80 25½ 25½ 25½ 0.40 10 144 7½ 1½ 1½ 0 21 2 2 2 20 652 8½ 4½ 4% 8½ 18 28 15½ 14½ 15½ 1 27 45 64½ 4½ 1 28 45 64½ 4½ 10 85 45 5½ 2 10 18 21½ 13½ 21½ 2 15 40 12½ 12½ 12½ 5 9 125 21½ 20½ 22% 11% 11% 01% 1% 18% 18% 7% 7% 7% 7% 3% 3% BUSINESS LOCATIONS IN EUROPE 285 285 15 15 2 25 125 125 424 24 The FT proposes to publish this survey on 8 268 7% 47% 7% -% The PT proposes to publish this survey on October 21 1992. The Financial Times reaches more senior European business executives whose job responsibilities involve taking arategor decisions about the international operations of their company than any other english Linguage international publication. For more information on how to reach this important audience, please contast. Hitzabeth Vaughan feet 071-873 3742 has 071-873 3425 or write to her at Financial Times Ltd. Number On., Southwark Bridge, London SEI 4HL | Second | S **AEROSPACE** The FT proposes to publish this survey on September 3 1992. The FT is read regularly by 97% of professional investors in Europe responsible for the aerospace, aircraft and airlines sectors. This is more than any other publication.\* If you want to reach this important audience, call Ian Ely-Corbett Tel: 071-873 4148 or contact your usual Financial Times representative. Dela seese \* LRRS 1991 Fax: 071-873 3062 FT SURVEYS Data source: \* Professional Investment Community Worldwide MPG 91-92 FT SURVEYS.

MONDAY INTERVIEW

## Love in the laboratory

Professor William Stewart, chief scientific adviser to the Cabinet Office, talks to Clive Cookson

cientists have changed their minds about the UK government more comprehensively than has any other group in British society since the general election. During the election cam-paign many senior scientists called for a new government that would end years of neglect and underfunding of research; not one spoke up for the Conservatives.

Three months later, the loathing in the laboratories is turning into something approaching love. Pressure groups such as Save British Science have stopped moaning and are now singing a chorus of praise for the government.

The man they credit with responsibility for this revival of scientific morale is Professor William Stewart, a 57-year-old Scottish botanist, whose official job title is chief scientific adviser. Cabinet Office.

Prof Stewart came to London in 1988 to run the Agricultural and Food Research Council. Lady Thatcher (then Mrs. Thatcher) appointed him to succeed Sir John Fairclough as the government's chief scientist shortly before she resigned as prime minister in 1990. But he made little impact until last

Then, in the reshuffle after the election, Mr Major unexpectedly gave the laboratory lobbyists what they had been clamouring for, and Labour had promised: cabinet status for science for the first time

The £1.1bn-a-year budget for basic research was detached from the Department of Education and Science, and transferred to a new Office of Science and Technology (OST) under a senior cabinet minister, Mr William Waldegrave. He is also responsible for co-ordinating science and technology policy across other government departments, including defence and industry. Although Mr Waldegrave's remit as chancellor of the Duchy of Lancaster also includes the Citizen's Charter initiative for improving public services, he has made it clear that science will be a priority. Prof Stewart drew up the OST blueprint before the election, as an option for the

incoming government whatever its political complexion. As a loyal civil servant, he declines to take the credit. But lts creation leaves him, as head of OST, much better placed to fight for science and technology in government. He is potentially the most powerful

chief scientist since Sir Solly Zuckerman (another biologist) teamed up with Mr Harold Wilson in 1964.

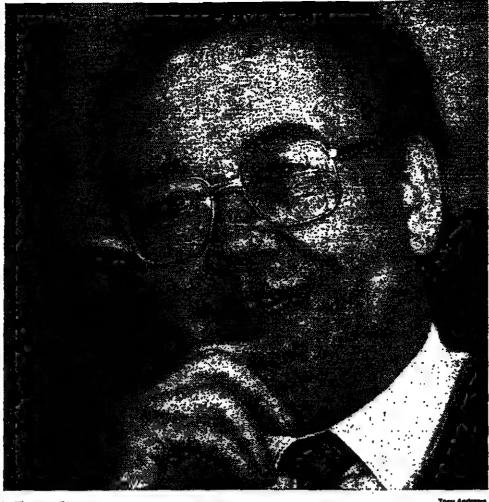
The fundamental reason for the reorganisation, Prof Stew-art says, "Is that the prime minister had a conviction that science and technology would be important to us if we were going to continue as a strong Group of Seven nation. Japan sees science and technology as the dynamo of the economy: the US sees a world economy transformed by developments in science and technology."

A subsidiary reason was to give the UK government someone with enough international status to negotiate effectively with such powerful research ministers as Germany's Mr Heinz Riesenhuber and France's Mr Hubert Curien. Junior ministers in the DES were no match for them, but Mr Waldegrave is - both through his close relations with Mr Major and through his formidable intellect.

Mr Waldegrave may be a classicist by academic background, but Prof Stewart says he is already making his mark as chairman of the EC research council. On the chief scientist's advice. Mr Waldegrave is pushing the EC to devote more resources to "generic technologies which have a broad range of applications across many industrial sectors" and less to "the old policy of industrial R&D subsidy". In practice this might mean, for example, supporting the development of a "clean engine", which would have application in an aircraft, a car or a lawnmower, rather than a "clean car", which would amount to a disguised subsidy to European motor

munufacturers. The creation of the OST instantly raised the profile of science in Parliament. The Commons set up a Science and Technology Committee for the first time, chaired by Sir Giles Shaw. And from next year the two houses will jointly fund a Parliamentary Office of Science and Technology, to provide technical assessments for MPs and peers on issues ranging from global warming to disposing of nuclear weapons and patenting new forms of

But the OST could be the first step in a more radical reorganisation of research in the UK. Prof Stewart is inviting scientists to put forward suggestions for a white paper on science and technology, which the government will issue early next year. It will



#### 'The slip in R&D spending causes concern'

the UK organises, funds and exploits its science.

Mr Waldegrave and Prof Stewart say they have open minds about what direction to take: they are willing to consider changes that would be at least in UK terms - quite revolutionary. One possibility is to draw up for the first time a national plan for science, setting priorities and targets for funding in different areas. "Do we need some broad objectivesetting as the Japanese, US.

#### PERSONAL FILE

1935 Born in Glasgow. Educated at Dungon Grammar School Glasgow University. 1963 Lecturer at Westfield

College, London. 1968 Professor and head of blology department, Dundee University. 1977 Fellow of Royal Society

1988 Chief executive of Agri-cultural and Food Research Council. 1990 Chief Scientific Adviser, Cabinet Office.

Germans, French and others are doing, or do we leave it all to a bottom-up approach?" Prof Stewart asks.

For most laboratory scientists, however, the biggest issue is not how research is organised but how much money is available for it. "In general our funding levels compare reasonably well with our G7 competitors," Prof Stewart claims. "But before we get complacent, it is important to note that UK expenditure on R&D as a percentage of GDP has been slipping significantly over the last decade in both civil and defence areas. Because the international trend on R&D expenditure as a percentage of GDP has been generally upwards, the downward trend in the UK causes

Last year Prof Stewart pant sounds quite different. worked with the Treasury dur-Prof Stewart retains his childing the annual public expendihood accent from the whisky ture survey to make sure sciisle of Islay, off the west coast of Scotland, where he grew up ence and technology spending in all departments was pepped up with a dash of assessed as a whole - the first Glasgow (where he did both time the government's chief undergraduate and postgradscientist had been involved in uate studies) and Dundee the process. The exercise pro-(where he built up the biology duced real growth in civil R&D department over a period of 20 this year and plans for further years from virtually nothing modest growth up to 1994-95. But that was in the run-up to into one of the strongest in the UK). Now he retreats when he

can to somewhere even more

remote from London; a croft

inherited from his wife's fam-

ily on the island of Barra in

The last prominent person in

government who portrayed

himself as a Scottish crofter was Mr Harold Macmillan. The

difference is that in Prof Stew-

art's case the claim is genuine.

And whereas the Macmillan

era 30 years ago can be seen in

retrospect as the start of a

decline in the international

position of British science and technology, the Stewart years just might bereid a revival.

the Outer Hebrides.

Prof Stewart's new clout in the Treasury will come during this year's public expenditure negotiations. "The OST could not have been set up at a worse time as far as public expenditure is concerned," he says. He will fight to protect the planned growth, both because research needs more money and because "the system needs stability so that the science and technology community can look shead without the epi-sodic changes in funding which caused problems in bygone years"

an election. The real test of

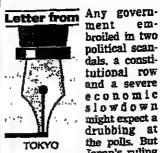
ironically, the non-graduate Mr Major is turning out to be far more sympathetic to science than Mrs Thatcher, who started began her career in chemistry research. Because he believes science is important - socially, culturally, economically and environmentally - but has no scientific background, he is in some ways an

ideal prime minister from the

point of view of an adviser. Prof Stewart keeps in touch with feelings at the laboratory bench by inviting a group of half a dozen researchers, including young scientists, to his room in the ancient Palace of Whitehall every fortnight or so. Sitting in the deep, redleather armchairs, they talk "really frankly" about the issues in their field.

The office looks typical of s senior civil servant of the old school, apart from a computer beside the deak, but its occu-

## Peace, prosperity and corruption



dals, a constitutional row and a severe economic slowdown might expect a drubbing at the polls. But Japan's ruling Liberal Democratic Party got

em-

off lightly in yesterday's national elections to the Diet's (parliament's) upper house.

The party lost far fewer seats than it had expected. It will now be well-placed in the next election in 1995 to win back control of the upper house, which it lost during the 1989 Recruit scandal, and re-establish its longstanding monopoly

of legislative power. The Recruit stocks-for-fayours affair now seems nothing more than a painful mem-ory for the LDP. This year's two financial scandals, involving Kyowa, a building materials group, and Sagawa Kyubin, a truck delivery company, hardly surfaced in the election

Nor did the voters pay much attention to the controversy over the recent bill to permit the despatch of Japanese troops overseas to serve in UN peace-keeping forces. The LDP and rival parties were prepared for a tough fight over whether the bill infringes Japan's paci-fist constitution. The ruling party published posters show-ing a Japanese as a member of an international baseball team. Mr Kiichi Miyazawa, the prime minister, waxed eloquent about international contributions. But in the event the voters were not interested.

As for the economy, the global slowdown may be bad news for US President George Bush, but it has done no harm to Mr Miyazawa. In the boom of the 1980s, the Japanese flirted with opposition parties. But the collapse of the finan-cial bubble has sent voters scurrying back to the well-tried haven of the LDP:

This is gratifying for Mr Miyazawa, whose chances of a second year in office when his

Letter from Any govern- term expires in the autumn grow better by the day. However, the surge in popular support could dissuade the LDP from tackling underlying political and economic problems. including electoral corruption. In many constituencies

money still dominates election campaigns. Particularly in the countryside, the heartland of LPD support, the voters want to know which candidate will bring their district the biggest share of government spending. There is nothing uniquely Japanese about this. Politicians everywhere are familiar with electoral bribery. But what is worrying about Japan is the extent to which the porkbarrel dominates politics. This did not matter to the outside world when Japan was preoc-cupied with rebuilding its

Not for nothing do some consider the construction minister more important than the prime minister

economy after the second world war, but now that it is an economic superpower it is of international concern.

Japan's electoral system forces politicians into a debilitating dependence on money. Multi-member constituencies account for most seats in the Diet's lower house and for many in the upper house. Because politicians from the same party have to compete against each other, party discipline and ideology are weak. Electoral success is built largely on personal appeals to voters. – appeals which are greatly enhanced by pledges of money. The biggest amount of cash circulates around elections to the Dist's lower house, the centre of legislative power But even an upper house poll, like yesterday's, costs money.

Punds circulate from compe nies to politicisms to constituents. In return the companies are rewarded with public orders, especially building contracts. Not for nothing is the job of minister of construction

regarded in some LDP circles as more important than the prime minister's. And not for nothing is the construction market particularly difficult for foreign companies to enter.

As the party which has held power since the 1950s, the LDP has little incentive to change this system. However, it has acknowledged in voluminous reports what is needed, including controls on fund-raising, single-member constituencies and a redistribution of seats from the countryside to the cities. The last is most impor-tant: in the Diet's lower house, it takes more than three times as many votes to elect a memher in the most populous districts as in the least populous.

The implications run far beyond Nagatacho. Tokyo's political district. The current political system was forged at a time when the nation was largely united in its aims; governments put the priority on economic growth and smoothing the frictions this generated at home and abroad without veering from their course. Bureaucrats, not politicians, took the important decisions.

Having risen to economic e-eminence, Japan must now define an appropriate role for itself in international affairs. It must tackle sensitive issues such as reform of an archaic tax system, the overhaul of iand regulations, restrictions on foreign workers, and the ban on rice imports.

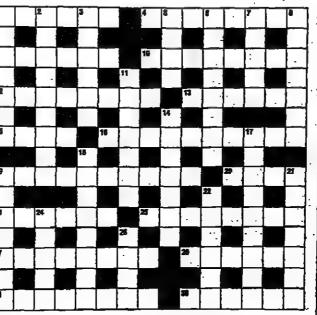
The Japanese acknowledge the urgency of these arguments. But, until now, they have tolerated some political corruption because the LDP has ruled over unprecedented peace and prosperity. As long as the perpetrators of the most flagrant breaches of anti-corruption laws are punished, the Japanese have accepted that politicians will bend the rules. If the past is any guide, the Japanese will resist fundamen-tal change until they are hit by a shock. Then change will come quickly. The hope is that this time such a shock will be unnecessary. But it would be unwise to rely on it.

Stefan Wagstyl

# **JOTTER PAD**

#### CROSSWORD

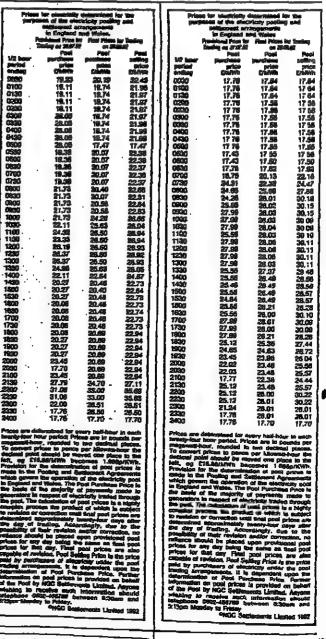
No.7,909 Set by DANTE



ACROSS
1 Straighten things out and 4 Key leather treatment is deli-

- cate (8) 9 Strike out (6) 10 Holding an avaricious atti-tude (8)
- 13 Sort of hats we put bands round (6) 15 Ridicules supporters (4) 16 Flirts and is captivated by her lips perhaps (10)
- 19 Jago cursed in dismay (10)
  19 Separate partnership? (7)
  20 Plant where workers strike
  21 To agree completely (7) for more money (4)
  23 Watched United compete for leadership (5)
  25 Abandoned ship (8)
- 27 Dependant paid for help when 26 Yield what is sown, we hear 28 An extra modest sort of 29 Big end about to be made higger (8) Not quite in the altogether (6)
- 1 Ruin the opening? (7) 2 Sweets that score highly? (5-4) 3 Observing it's a dumb-bell? (6) 5 Yet it may be sweet (4) 6 A bitter blow? (4,4) 7 Be quick! (5)
- Drunk as a snake? (7) 12 The point in folly that 11 They make engravings of the becomes madness (8) 14 Leading off in file (7) 17 How the heat can knock one out (9)
  - 18 He expects people to put up with him (8) 19 Separate partnership? (7) 22 Read of new capital investment (6) 24 Speak well of former lover to first lover (5)

The solution to last Saturday's prize puzzle will be published with names of winner urday August 8.

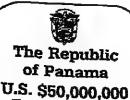


FIRST CITY BANCORPORATION OF TEXAS, INC. US\$100,000,000 Floating Rate Notes due **JANUARY 1995** 

In accordance with the provisions of the Notes, notice is hereby given that the Rate of Interest for the three month period 24th July 1992 to 25th October 1992 has been fixed at a rate of 51/2 per annum. Interest will therefore be payable at US\$137.08 per US\$10,000 note on 26th October 1992.

CHEMICAL BANK Agent Bank

CIVAS 8 LIMITED U.S.\$100,500,000 of Rosting Rate Notice do Immeter Hans J. Styles Park Human Parked July 27, 1992 to January 27, 1993 in January 27, 1993, interest Psystole per US\$100,000 Note US\$1,989,54.



Floating Rate Serial Notes due 1991 For the six months 27th July. 1992 to 27th January, 1993

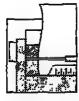
In accordance with the provisions of the Notes. notice is hereby given that the rate of interest has been fixed at 7 per cent per annum, and that the interest accrued on the outstanding unpaid incipal to 27th January. 1993 will be U.S. \$178.89. The Industrial Bank of Japan, Limited

Agent Bank

#### PERSONAL VIEW

## Collusion for confrontation

By Graham Allison



On the global international politics today. most striking anomaly? Of all the leading powers, two

alone remain mired in a coldwar confrontation, without a peace treaty to conclude the second world war that ended 47 years ago, without normal relations.

The contrast between Russia's new relationship with its main European adversary in the second world war, and its relationship with Japan, is instructive. Only on the Asian front, and most singularly in Russian-Japanese relations, is the cold war essentially frozen in time. Oddest of all is the obstacle to full normalisation of Russia-Japan relations: the issue is one of four, small, disputed islands which remain as second world war relics and cold war symbols.

In the past year, a group of independent scholars from the US. Russia and Japan have collaborated in an effort to view this old dispute impartially and with fresh eyes. In reviewing the entire record of the dispute in all three languages, we have juxtaposed official documents from the three governments and unearthed new materials. What we discovered

is a "collaboration for confrontation". The evidence reveals a pattern by all three governments that set Russia and Japan in fierce enmity. The culprit in this drama

was Stalin. By seizing and holding four small islands of no military or economic significance, he provided powerful incentives for Japan to become the closest ally of the US in confronting the Soviet Union in Asia. In 1951, Stalin compounded his error by refusing to sign the San Francisco Peace Treaty concluding the second world war. By not signing, Stalin not only missed an opportunity to stake claim to the disputed four islands. He also left clouded in international law the Soviet Union's claim to 18 undisputed Kuril Islands and southern Sakhalin. Today, Russia occupies them. but without established sovereignty in international law.

Stalin's mistakes were aided and abetted by US President Franklin Roosevelt. But conspiracy theorists who seek to give Roosevelt credit, or blame, for tricking Stalin into these moves exaggerate. Stalin sought territorial concessions. As the price for enlisting Russia in the Asian war against Japan. Roosevelt was prepared

John Foster Dulles, secretary of state, was more deliberate. In the period leading to the

1956 Joint Declaration between Japan and Russia, the Japanese contemplated sacrificing two larger disputed islands to secure control of the two smaller islands and sign a peace treaty. At several crucial junctures. Dulles frustrated such a resolution. As the state department's memorandum of the conversation between Dulles and Japanese foreign minister Shigemitsu in August 1956 shows clearly: Dulles warned the Japanese government that, if it relinquished its claim to the larger islands to normalise relations with Russia, it would jeopardise its claim to Okinawa, occupied by US troops. As the state department cable records. Dulles's warning stated: "No Japanese government could survive."

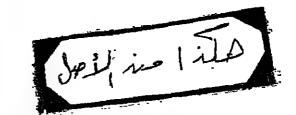
In preparation of the 1960 Mutual Security Treaty between the US and Japan, US diplomacy solidified Japan's position as the pillar of Asian confrontation with the Soviet Union In recognising Japan's "residual sovereignty" over Okinawa in 1961, and returning Okinawa to Japan in 1971, the US bolstered Japan's position as a partner by accenting the contrast with the Soviet Union's recalcitrance.

The conclusion of the cold war now presents the challenge can the western allies. in partnership with a new Rus-

Our American-Russian-Japa-nese trilateral report sketches 66 scenarios for resolution. Our preferred resolution calls for the US to become active as catalyst, honest broker and guarantor. A comprehensive agreement defining new trilateral relations in security, economic and political dimensions could provide important net advantages for both Russia and Japan. The essential terms in this multi-dimensional compromise are these. Russia would reaffirm the 1956 Joint Declaration agreeing to return to Japan the two smaller islands at the signing of a peace treaty: recognise Japan's "residual sovereignty" over the two larger islands; and begin negotiations, terms and timing of their phased return. Japan would agree to demilitarise the islands permanently; guarantee that Russia suffers no material loss in rights to fish or export other resources and accept the role of lead donor and the substantially enlarged, decade-long G7 programme of economic assistance for Russia's economic reform. The question today is whether Messrs Yeltsin, Miya-

zawa and Bush can overcome the legacy of Stalin, Roosevelt, Dulles and Shigemitsu. The author directs Harvard's Strengthening Democratic Institutions project and chairs the USIRussiani Japanese group.

## NEW ZEALAND Joil in MA



Monday July 27 1992

SECTION III

After years of stagnation, New Zealand appears to be in the early stages of an economic upturn. However, in spite of the new mood of optimism, the country is convalescing, rather than fully recovered, writes Andrew Adonis

## Strength of the Kiwi spirit

the occasional street
Ine country, he concludes, lamp and headlight, Welling
ton at night is reminiscent of
R.A.K. Mason described 70
East European cities before the East European cities before the collapse of the Berlin wall. The lights are off this winter friendless outer edge of because of an acute hydrodrought, and New Zealanders are reacting with remarkable feats of conservation to avoid black-outs and short-time

The energy crisis may strengthen the Kiwi spirit. But it could hardly be worse timed, just as a decade of economic gloom appears to be lifting. Optimism positively gushes from most of New Zealand's politicians and economic fore-

casters. It is of recent origin. Barely six months ago despair was ubiquitous, the country weighed down by a sense of embattled isolation given added emotional intensity: - to an extent unappreciated abroad - by controversy with the US over nuclear warships

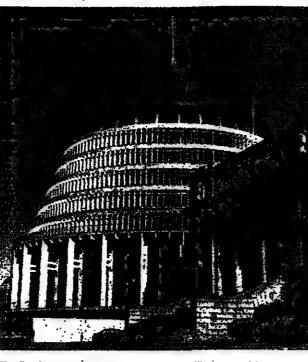
visiting the country's ports.
"New Zealanders have been going through the hardest times most of them can remember," writes Mr Bryce Harland, until recently high commissioner in London, in a trenchant study published this month. He considers the price of independence as "continuing deprivation, at least disappointment", with New Zealand

HROUDED IN an eerie darkness broken only by the occasional street lamp and headlight, Welling has become what the poet years ago as a 'solitary hard-as-saulted spot/Fixed at the

> In Wellington, at any rate such pessimism is already old hat. Last year New Zealand recorded its first current account surplus in two decades, with a strong export performance not just in pri-mary agricultural products but also in manufactured goods. East Asian markets are growing rapidly (25 years ago the South Pacific and East Asia took a fifth of New Zealand's exports; soon it will be twothirds). Tourism, now the country's biggest business, is booming. The three months to March saw GDP growth of 1.1 per cent, the third successive quarterly rise. This followed news that inflation rose by only 1 per cent in the year to June, the lowest rate of all 24

> countries in the OECD.
>
> Ms Ruth Richardson, finance minister in Mr Jim Bolger's National (right-of-centre) government, is jubilant. "We now know we can succeed. The positive signs are here; they are unmistakeble; and they are all around us."

Even old friends are coming back. President Bush's decision to remove tactical nuclear



The Beehive, home to the cabinet in Wellington and (right) the outer edge of space, a signpost near Auckland sirport

may open the way to a resumption of security ties. Mr Bolger, whose party was compelled by public opinion to accept its Labour predecessor's anti-nuclear policy before the last election, is trying to bury the hatchet as quickly as possible.

All that said, New Zealand is convalescing, not recovered. Its growth projections are impressive only compared to its recent past. Investment is weak. The country's export base remains comparatively narrow; and prospects for sustained improvement in its agri-cultural exports depend largely on a successful outcome to the Urugusy Round. Not that Wellington is beyond reproach when it comes to tariffs: last month Mr Philip Burdon, the trade and industry minister. handed down a raft of "antidumping" levies on imported footwear, clothing and cars.

New Zealand has played an effective part in the Cairns Group, and Mr Tim Groser, its chief Gatt negotiator, is in constant orbit. But as one trade official puts it: "There's still a

weapons from US warships lot of goodwill from Britain, but who thinks Bush and Mitterrand give a damn about us?" Above all, it will take more than a year or two of growth to overcome the legacy of the 1980s, New Zealand's most traumatic decade this century. Economic stagnation scarred a people who only 20 years before had enjoyed one of the highest standards of living in the world. The causes were simple enough: a collapse in prices and markets for New Zealand's narrow range of agri-cultural exports and a rapid deterioration in the debt and fiscal situations with dire implications for the majority of the workforce - in manufacturing and the public sector dependent on government lar-gesse, variously provided through subsidies, salaries,

> Sir Robert Muldoon's National government vainly pretended that nothing had happened in the late 1970s and early 1980s. It has one great achievement to its name: the 1982 Closer Economic Relations

export incentives and state



agreement with Australia, which began a rapid progress towards free trade between the two countries, from which New Zealand has been the principal gainer. The present government sees it as a model for agreements with other Asian

countries. For the rest, Sir Robert paid dearly to stave off the inevitable. It was his defeat by Labour in 1984 which heralded the New Age, as most New Zea-landers see it. Dubbed "Rogernomics" after Sir Roger Douglas, the Labour finance minister who masterminded the first bout of reform, it saw market regulation swept aside. the subsidy regime axed, the public sector rationalised and its organisation turned upside down, the tax system over-hauled (with a sales tax intro-duced and the top rate of income tax halved to 33 per cent), and a melt-down of the

entire structure of import licensing and export incentives.

It was little short of a revolution, justified to a sceptical Labour party and electorate as the price of recovery. When

recovery failed to materialise. bitter recrimination started. Civil war erupted in the Labour party with first Sir Roger, then Mr David Lange, the prime minister, forced to quit. And in 1990 the voters took their revenge, returning National under Mr Bolger with a landslide majority.

Mr Bolger, a relaxed and reassuring North Island farmer, appeared to offer an end to upheaval. But once in office, his government only intensified it. Within months Ms Richardson, an avowed admirer of Sir Roger, had taken Rogernomics into health and welfare in a self-styled "mother of all budgets", and the Employment Contracts Act, enacted at the same time, extended it to industrial rela-

A year on, the storm which greeted those two measures has largely abated, calmed by a succession of strategic retreats. But the experience has only deepened popular disillusion with the politicians. It is not just resentment about promises flagrantly broken: it is one

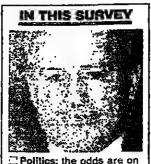
manifestation of the acute anxiety felt by most New Zealand ers about their personal prospects after a decade of stagnation and restructuring. Says Mr Lange, now a columnist: "The fact of it is divisions in society were papered over with money from guaranteed export sales, then with borrowed money. Now these divisions are raw and sore to the point where increasing numbers of people are impatient with an existing order they see as unfair.'

It is not belped by the fact that New Zealand's politicians seem to be forever campaigning. With only a three-year parliamentary term, governments are barely installed before they are fighting for their lives. The knuckles are already bare for the autumn 1993 contest. Labour - led by Mr Michael Moore, briefly prime minister at the tail-end of the last Labour government (1984-90) is ahead in the polls. But National is narrowing the gap, buoyed by a by-election victory earlier this year in a sest widely expected to fall to the newly-formed Alliance, an electoral coalition of minor parties (Labour came a poor third).

The hot money is backing Mr Bolger to renew his lease on the top-floor suite of the Beehive, the tower housing Wellington's entire cabinet. Not that much would change were he to lose. Ms Richardson's reforms have been hotly contested by Labour, but it accepts virtually all the constraints

driving current policy.
"Raising the tax burden simply isn't an option", says Dr Michael Cullen, Labour's finance spokesman, mindful of the conventional wisdom that Labour's 2.5 percentage point increase in general sales tax in its last budget before the 1990 election killed the nascent recovery stone dead.

However, whatever its outcome, next autumn's election is arguably of less importance to the future of New Zealand politics than the possible fallout from a more immediate test: a national referendum on proportional representation to be held on September 19. A decision by the electorate to shift from the current first-



Jim Bolger (above) winning next autumn to stay prime minister Page 3 Economy: a few thorns among the roses ☐ The Reserve Bank: a ☐ Wellare reforms: shock of a shake-up □ A Pecific power and its Page 3 neighbours ☐ Maoris: bid to settle grievances Immigration: Britons targeted Relations with Australia: closer but stilt apart

Wine: just right (or British palates Tourism: visitors top 1m MAP, KEY FACTS Agriculture: patchy ☐ Sport: a small nation's self-respect

Editorial production Gabriel Bournan

past-the-post system to a form of PR could destroy the existing two-party system and lead to unstable, shifting coalitions. PR is expected to win in Sepreferendum next year before it is introduced; and even then it will not take effect until the election after next (due in

"PR in New Zealand is Public Revulsion," says Labour's Mr Moore, Maybe prosperity will come soon enough to reconcile Kiwis to their politiclans. If it doesn't, New Zealand is in for social unrest and a period of acute constitutional turbulence.

"On Our Own: New Zegland in the Emerging Tripolar World, Institute of Policy Studies, Victoria University of Wellington



#### BRIERLEY INVESTMENTS LIMITED

BIL IS AN ACTIVE VALUE INVESTOR, LOOKING TO BUY UNDERVALUED ASSETS TO ENHANCE THEIR VALUE EITHER THROUGH THE ACQUISITION OF A STRATEGIC STAKE OR, WHERE THERE IS TOTAL OWNERSHIP OR A SUBSTANTIAL DEGREE OF INFLUENCE OR CONTROL, BY CREATING CHANGE TO BRING ABOUT INCREASED EARNINGS AND HENCE INCREASED ASSET VALUES.

#### MAJOR ASSETS

AIR NEW ZEALAND LTD New Zealand's national airline focusing on the South West Pacific with strong growth in inhound tourists from Asia and North America (42.5% owned)

#### CARTER HOLT HARVEY LTD

Large New Zealand and Chilean owner of self-perpetuating softwood resources with many downstream wood fibre applications (32% owned in joint venture with International Paper Company)

#### MOUNT CHARLOTTE INVESTMENTS PLC

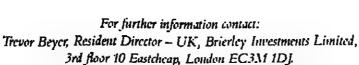
Largest London hotelier with the best operating margins in the industry. Capital reconstruction underway (70% owned)

#### MOLOKAI RANCH LTD

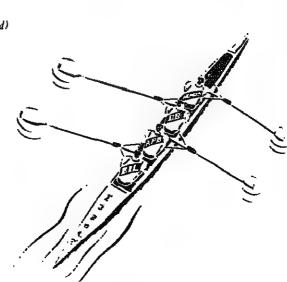
Second largest Hawaiian landowner. Located on the closest island to Oahu/Honolulu (100% owned)

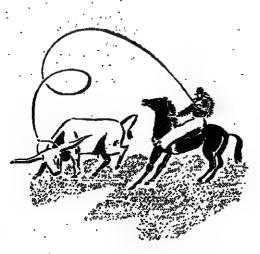
#### MAGNUM CORPORATION LTD

Largest Australian and New Zealand liquor distributor and major New Zealand brower (54% owned in joint venture with Asia Pacific Breweries Ltd)



Telephone: (71) 623 9047 Facsimile: (71) 623 9048.





#### NEW ZEALAND 2

per cent of GDP by 1994.

That marks a retreat from last year, when Ms Richardson

was projecting a balanced bud-

get by 1993. Her excuse is

lower than projected (by the

Treasury) tax revenue, particu-

larly from business. The mar-

kets do not seem unduly con-

cerned, given the government's

firm commitment to containing

spending. Ms Richardson is at

realise there is little room to

raise taxes; but more should be

done to make business pay its

Labour, for all the sound

and fury, accepts

the same constraints as

the government

All depends on the strength

of the recovery, and not all the

omens are favourable. The

Integrated Economic Services

research group, whose growth

forecasts are at the pessimistic

end of the scale, points in par-

ticular to New Zealand's poor

investment performance, and

the lack of evidence of any

revival. It estimates that fixed

investment fell by 16.6 per cent

in real terms last year, exacer-

bated by a fall in residential

construction which previously

As Ms Richardson herself

puts it: "Many obstacles still

need to be surmounted. There

can be no room for false onti-

mism, for illusions about

where we are, and what we

Andrew Adonis

was fairly buoyant.

JNOMIC GROWTH: though things are beginning to look up, there are...

## A few thorns among the roses

decade. Last year alone, the

number proceeding to higher education rose by 17 per cent. Moreover, with the Employ-

ment Contracts Act (ECA)

decentralising wage bargaining

to plant level and breaking the

stranglehold of union leaders

in Wellington, unit labour

A recent survey by the

Employers' Federation found a

significant increase in perfor-

mance-related pay (13 per cent

compared with 3 per cent

before), appraisal systems (18

per cent vs 3 per cent) and

bonus payments (12 per cent vs

3 per cent) resulting from the

costs are falling markedly.

"THERE is no denying the new mood of confidence," says Ms Ruth Richardson, New Zealand's hard-edged minister of

Indeed not. After a decade when the country's only appreciable economic growth was in business despondency, things are beginning to look up. Take official figures, plus a small dose of optimism, and here is the good news.

Real and sustained growth is under way. It is not just a boom in traditional exports riding on the back of improved prices for New Zealand's agricultural commodities and a Kiwi dollar depreciated by a fifth in two years (a further 10 per cent devaluation is widely expected later this year), but is based on a sharpened competitive edge and a diversifying range of exports.

Following a 1.2 per cent contraction in GDP last year, growth is projected by the Treasury at around 3 per cent this year and between 2 and 3 per cent over the following two years. The year to this March saw pastoral exports up 9.2 per cent in volume, with non-food manufacturing exports up by

Britain will soon be overtaken by Korea as New Zealand's fourth largest trading partner

12.6 per cent. Annual tourist numbers have just topped 1m, and the industry — with an enterprising new state board behind it — is gearing up for 3m by the end of the decade.

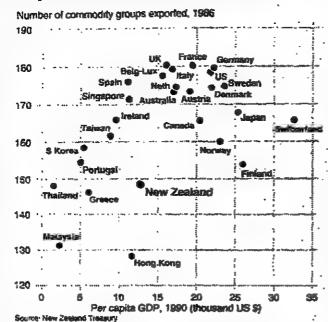
Exports to Asia are growing particularly strongly, with sales to Taiwan up 46 per cent in the past year. Korea 40 per cent. China 85 per cent and Hong Kong 42 per cent. Korea will soon overtake Britain as New Zealand's fourth largest trading partner. And almost any conceivable Gatt agreement to be got out of the Uruguay Round will be to New

Zealand's advantage.

• Inflation, already the lowest in the OECD, will be virtually eliminated by next year – under the guiding hand of a Reserve Bank whose independence was enshrined in statute three years ago.

Only five years ago inflation was at 12 per cent. Now it is down to 1 per cent and consumer prices are projected by the Reserve Bank to increase

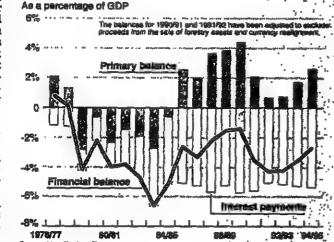
**Export diversification and GDP** 



by only 1.5 per cent over the next two years. With low inflation comes low interest rates. The 90-day bill rate, which stood at around 15 per cent in mid-1990, was down to little over 6 per cent in the middle of this month. Negligible inflation is undermining the cost-plus mentality: most wage bargainers have this year settled only for increases earned by productivity.

A strong supply-side performance is fast improving New Zealand's competitiveness. The proportion of teenagers remaining in full-time education at age 16 has risen from 53 to 77 per cent in the past

Fiscal balances



claims the ECA will lead to a wage blow-out when prosperity arrives — but with memployment at more than 10 per cent, and projected to rise further over the next three years, that looks like wishful thinking.

The Closer Economic Rela-

The Council of Trade Unions

The Closer Economic Relations (CER) agreement with Australia, a decade old and up for revision this year, has brought trade between the countries into balance after years of Australian dominance, and is progressively expanding New Zealand's home market from 3m to 20m people.

from 3m to 20m people.

Aviation services are the latest notable beneficiary. New Zealand carriers are to be allowed full access to the Australian domestic market by November 1994, while carriers and passengers will benefit from an agreement progressively to open trans-Tasman services to Australasian carriers besides Qantas and Air New Zealand. Most important of all, each country's airlines will be allowed access to destinations beyond the other country, enabling New Zealand airlines to fly to Asla and beyond

So much for the roses: thorns remain aplenty. The current energy crisis is the most immediately threatening. South Island's hydro lakes, which normally supply 60 per cent of the country's power, have been drying up, and only heroic conservation efforts over the past month have prevented power cuts and compulsory short-time working.

Much of the press and public blame Electricorp, the state utility, saddled with demanding performance targets by the government; Electricorp blames the "one-in-a-hundred-year" drought — and is praying that this month's rain and snow storms keep bearing down. Either way, potential inward investors must be unimpressed.

And when the lights are back on, New Zaaland's colossal public debt, monument to years of deficits and subsidies, will be more visible still. Gross public debt stands at nearly two-thirds of GDP — one of the highest levels outside the third world. This year's budget, a deliberately dull affair after last year's extravaganza, talks of "unacceptably high" debt, but still projects a \$NZ3.3bn fiscal deficit for 1992-93, declining only slowly to around 2.7

Don Brash is interviewed by Andrew Adonis

## How the bank governor controls economic policy

NEW ZEALAND has achieved what Britain's economics establishment can only dream of: an independent central bank, free of month-to-mouth interference from politicians, with but one prime objective, to conquer inflation for good. The publicly-avowed

objective of New Zealand's pains to stress that "any fiscal Reserve Bank could not be savings resulting from stronger than forecast economic, clearer: "[to] formulate and implement monetary policy revenue or employment growth will be applied to deficit reducwith the intention of achieving a stable general level of prices by the year ending December 1993 and maintaining price Public spending is down from 41.3 per cent of GDP in stability beyond that date". Price stability is defined as an annual rate of increase in the 1990 to 39.6 per cent last year: it is projected to fall to 97.4 per cent by 1995. For all the politiconsumer price index of cal sound and fury, Labour between zero and 2 per cent. which could be in office in lit-

which could be in office in littie over a year — accepts broadly the same fiscal constraints as the current government. "Modern Labour has got to be pro-business, pro-markets and pro-wealth," says Mr Mike Moore, the party's leader. "We

of 1989, New Zealand's monetary policy was directed by its Treasury, with the Reserve Bank largely subservient. The decision to grant the bank independence was political: with an inflation record for the previous 20 years far worse than the average for leading OECD countries, the then Labour government determined to attack the hydra once and for all.

The remedy was of a piece with wider reforms to the New Zealand public service, much of which is now hived off into quasi-independent state enterprises. Even senior officials in what remains of government departments are now on individual short-term contents.

"There are two broad prope-

sitions behind what we have done," says Dr Don Brash, the Reserve Bank's urbane but cautious governor. "First, that central banks independent of the government are better at achieving price stability, and can achieve it at lower social and economic cost; but second, that governments of any persuasion are going to be very reluctant to hand over total control to a central bank."

Dr. Brash now possesses

Dr Brash now possesses as much effective control of eco-



Don Brash: very much a

nomic policy as Ms Buth Richardson, the finance uninster, and his profile in the financial world is higher than anyone's but hers. Nonetheless, total control has not been given to the Reserve Bank: the new regime has been carefully crafted to retain a political long-stop should it be needed. In vision and detail it owes much to Professor Charles Goodhart of the London 5chool of Economics.

Thus the Beserve Bank Act is a part of New Zealand's ordinary law: it has no special constitutional status, and could be repealed by a simple majority in parliament tomorrow. Even without repeal a government could quickly undermine it - by using its statutory power to issue instructions to the bank, or by seeking to rewrite the inflation targets set out in the written agreement between the finance minister and the governor. And since the governor is, in effect, appointed by the minister, a determined government could secure a compliant governor

The independence of the Beserve Bank accordingly rests on two essential pillars: its own reputation and credibility, which the 1969 act supports but does not guarantee; and the almost complete political consensus behind the maintenance of price stability.

The 1989 act was passed by the Labour government, which had already appointed Dr Brash, a former National party candidate, to the governorship. But it was supported by Ms Richardson in opposition; and when she took office at the end of 1990 only one target was changed: 0 to 2 per cent inflation was to be achieved by 1993, not 1992, a change with which Dr Brash was entirely happy, given the looming uncertainty of the Gulf War.

Dr Brash is very much a pol-

iticians' banker, preaching the message of price stability at countless hunches and dinners with a slick PR machine in tow. "If we don't carry broad public consent for what we are doing, the bank's independence will come under acute strain - whatever the legislation says," he says. The bank's half-yearly monetary policy statement, issued earlier this month - just before the budget, to warn of the dangers of esening up on fiscal policy concentrates on refuting claims that throttling inflation is slowing recovery. Not all are convinced, but voices like that of Mr Leu Baylis, a consnitant who argues that the single-minded assault on inflation has deepened the reces-

sion, are surprisingly few. Given the political wind behind him, Dr Brash's job is largely to act as the politicians' conscience. In its last budget before the 1990 election, Labour increased spending and added significantly to borrowing: the bank responded with a hike in interest rates. "The great virtue of the new system is transparency," says Or Brash, recalling that shortly after, the New Zealand Herald ran a leader arguing that New Zealanders now realised that governments could not win elections by unjustified loosening of fiscal policy, since the Reserve Bank would simply send them the

bill in higher interest rates.

Dr Brash's term comes up for renewal just before next year's elections. He is too much of a politician to speculate on the future. But he is an easy target if recovery does not materialise; and a prize exhibit if it does.

## STRENGTH in diversity

Fletcher Challenge is a leading diversified company which has used expertise developed in its New Zealand based businesses to grow successful international operations.

Our core businesses are pulp and paper, building industries, energy and tural servicing.

We have major operating subsidiaries in Australia, Brazil, Canada, Chile, New Zealand, Oceania, South East Asia, the United Kingdom and the United States.

Our products and services are sold throughout the world. Total revenues in fiscal 1991 were NZ\$13 billion. Assets are NZ\$21 billion.

Fletcher Challenge shares are listed in five countries and 40 per cent of the equity is owned outside New Zealand.

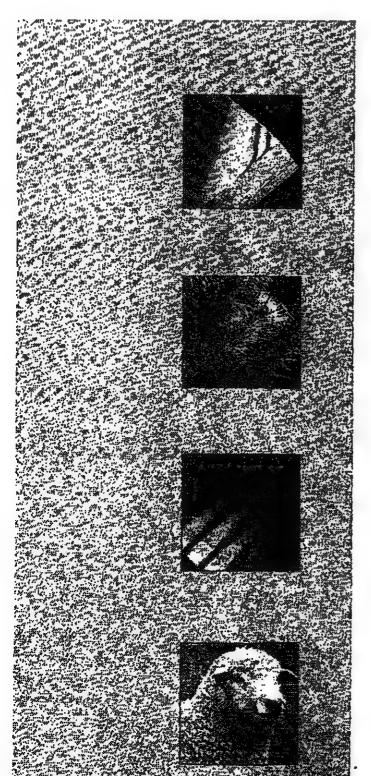
For further information contact: G.A. Whitcher, Equity Management Director, Fletcher Challenge Limited, Private Bag 92114, Auckland, New Zealand. Phone: 64-9-525 9000. Fax: 64-9-525 0551.



FLETCHER CHALLENGE

Stock Euchange Listings: London, Frankfurt, New Zesland, Australia, USA (sponsored ADR), Toronto, Montreal, Vascouver,





AS A flash of lightning reveals all on a dark night, this February's parliamentary by election in the affluent south Auckland suburb of Tamaki illuminated the main contours of New Zea-

land's political landscape.

The by-election in this "blue ribbon" National (Conservative) seat was caused by the resignation from parliament of Sir Robert Muldoon, prime minister from 1975 to 1984. Sir Robert was the last of New Zealand's "borrow, tax and regulate" leaders: his defeat unleashed the programme of modernisation and liberalisation dubbed "Rogernomics", after Sir Roger Douglas, Labour's radical finance minister, which in five years turned the country upside down.

The electorate thought it was voting for a breather when it turned back to National in 1990. But Mr Jim Bolger's government has taken Rogernomics into pastures new, notably industrial relations and welfare. For all the controversy caused by reforms such as the Employment Contracts Act, deregulating labour relations, or part-charges for hospital visits, the leaders of both main parties unite in their rejection of the ancien regime. Sir Robert's departure, after years of ineffectual carping on the side-

lines, laid the ghost of an era.
For Mr Bolger, with a trail of broken election promises and a deeply unpopular welfare-cutting budget to defend, a by-election defeat at Tamaki seemed likely. Significantly, the challenge came not from Labour, but from a new rainbow "Alliance" of five parties.

— including Greens, defectors from both main parties, and Mana Motuhake, a Maori party — thriving on popular discontent with both main parties.

Yet on the day National squeezed back with a greatly reduced majority. The run-up to polling day saw a succession of favourable economic indicators; and the cohesion of the Alliance crumbled under the media spotlight. The real loser, though, was Mr Mike Moore's Labour party, which came a poor third, unable to pick up the protest vote.

Polls still show Labour ahead in the race for the next election, due by November 1993. But a recent survey put the parties neck-and-neck and Mr Moore has neither the credibility (as a member of the Rogernomics cabinet) nor the inclination to play the populist card against Mr Bolger. The Alliance, with a steady 20 per cent in the polls, can be relied on to do that, boosted perhaps by Mr Winston Peters, a Maori National MP sacked from the cabinet last year, who appears to be angling for expulsion from the party with a series of

Mr Bolger's evident capacity to trim to the tide is softening the edges of antagonism

vitriolic attacks on the supposed misdeeds of its business

But remember Tamaki. Labour and the Alliance will be up against the same problems in the next election, with National starting from a higher base. The Alliance lacks not only coherent policies, but even a leader — and the favourite for the post, Mr Jim Anderton, a 1980s defector from Labour's left, is unlikely to strengthen its appeal to the middle ground. As for Labour: "we will win because we are

"we will win because we are the conservative party", says Mr Moore, pointing to the array of interests antagonised by the latest dose of reform medicine. Perhaps, but the generally perceived strength of the economic upturn is working to National's advantage, while Mr Bolger's evident capacity to trim to the tide — as in the succession of back-downs from especially unpopular aspects of Ms Ruth Richardson's 1991 budget — is softening the edges of antagonism.

The odds, therefore, must be

However, for both main parties an arguably more critical test is less than two months away, in the shape of a national representation. A shift from first-past-the-post to a form of PR would break the mould of New Zealand's two-party system, with fragmentation, coalitions and inter-party wheeling and

dealing the most likely conse-

on Mr Bolger surviving next autumn with a small majority.

quences. Suffice it to say that National and Labour are campaigning side by side to preserve the status quo — which fact alone may be enough to ensure its destruction, say the cynics.

In a bid to avert that, the

government has erected a veritable obstacle course to electoral reform. On September 19 voters have to choose between five systems - first-past-thepost and four more or less pro-portional alternatives. If there is a majority for change, a further referendum will be held on the same day as the next general election, offering a straight choice between the existing system and the reform option gaining most support in the first poll - which is most likely to be the "mixed member" system, a variant on that used in Germany. The politi-cians are hoping that even if a majority vote for change first time - which appears likely -the disparate pro-reform movement will have run out of

steam in a year's time.

In case it does not, the issue is to be complicated further still by a third referendum, on restoring New Zealand's second chamber, to be held in tandem with the second and the

general election. The revival of the upper house, abolished in 1951, is a pet scheme of Mr Bolger's. He supports it for traditional Tory reasons (mature reflection on legislation and so on), but there is even less agreement on the form of a new second chamber than on a

new electoral system.

So constitutional revision is very much in the balance. But it is important to remember why it is on the agenda at all. Neither main party felt it could face the last election without offering voters the chance to change the system, and PR, endorsed by a royal commission in the 1980s, was and is the most popular panacea.

Panacea for what? Mr David Lange, the former prime minis-

alienation of the electorate from the elected. It is lack of confidence in our system."

Unless they can restore confidence, no amount of clever-land's politicians from a still stronger backlash. And with or without PR, their best hope of

salvation lies in prosperity.

ter, says bluntly: "It is deep-

seated cynicism about politics and parliament. It is massive

**Andrew Adonis** 

IT IS just over a year since Mr
Jim Bolger's newly-elected
National government launched
a calculated Birsteries product

Jim Bolger's newly-elected National government launched a calculated Blitzkrieg against New Zealand's health, education and industrial relations establishments. Determined to extend the outgoing Labour government's "Rogernomics" to the labour market and welfare state, Mr Bolger and his colleagues knew they had to move decisively in year one before the trimming inevitable

in the run-up to next year's

election stopped reform dead in

its tracks.

The Employment Contracts
Act (ECA) is the most ambitious component of the package, cutting a swathe through
half a century and more of
industrial relations policy.
Gone, in one fell swoop, is the
closed shop which held sway
over large chunks of (mainiy
blue-collar) industry, and with
it national, occupation-based,
union-negotiated awards which
are still the norm in Australia.
The act swept away the special
negotiating rights and privileges of trade unions, allowed
employers to insist on individual or enterprise-wide contracts in place of the former

ited the role of the courts in employment disputes.

These changes, largely drawn from plans formulated in the late 1980s by the influential Business Roundtable, have had most impact on the unionised 40 per cent of the workforce. But there have been significant knock-on effects for

collective contracts, and lim-

Andrew Adonis on the impact of social reforms

## Shock of a shake-up

the country's managers. "General managers now have to manage the most important aspects of their business - pay and conditions," claims Mr Alan Jones, industrial relations director at Fletcher Challenge, New Zealand's largest conglomerate. "It's been a shock for many of them - but

conglomerate. "It's been a shock for many of them - but it's about time," he adds.

For Campbell Tubes, a small car components manufacturer in Thames, near Auckland, the ECA has meant a zero pay increase this year, greater managerial flexibility in deploying staff, and an end to the old regime of time-andahalf for the first three hours of overtime and double time thereafter. But only after a week-long stoppage before the Engineers' Union would sanction the new single-company contract. The union sent its national officials down to Thames to consult the staff and negotiate the deal - the first time the company can

recall seeing them in Thames.
It has been a similar picture throughout unionised industry, with tourist-related concerns the biggest gainers. New Zealand's business elite is convinced the ECA has given the country an edge over "sleepy"

England's schools, an similar "pu out fees" in Health of the same models - chasers" from the same chasers from the same models - chasers from the same mode

imon Upton: we will have

contain spending to survive'

Australia, for whom an equivalent of the ECA is still but a
gleam in opposition leader Dr
John Hewson's eye. But it is
early days, and as yet concrete
examples of investment
diverted are hard to find.

Predictably, the Council of Trade Unions cries foul play. But the transition has proved fairly smooth in most of the private sector, which was anyway in the throes of radical restructuring in reaction to the "Rogernomics" and economic slowdown of the 1980s. Mr Ken Douglas, the council's president, claims that wages have been screwed down. But with inflation at 2 per cent and declining, and the economy still weak after a decade of low growth, it might more accurately be described as an end to the "cost plus" mentality.

rately be described as an end to the "cost plus" mentality. However, in the public sector the transition has been far from painless. In particular, the government's termination of collective contracts for teachers has led to strikes and virulent protest. Teacher unions see the move as an integral part of ministerial designs to shift all state funding, and with it control of teachers' pay and conditions, down to schools. This is undeniably the

government's objective.

Dr Lockwood Smith, the education minister, is piloting complete devolution of funding to the "trustees" (elected governors) of 60 schools, and before even assessing the pilot has shifted funding of all

Smith speaks approvingly of England's grant-maintained schools, and wants to create similar "private schools without fees" in New Zealand.

out fees" in New Zealand.

Health reform is driven by the same desire – and UK models – for separating "purchasers" from "providers" and evicting politicians from the detail of public sector management. The country's 14 integrated area health boards are being replaced by four appointed regional health authorities which will buy services from between 20 and 25 "Crown Health Enterprises", each of which will run a general hospital plus a range of

ancillary services.

Unlike Britain, the model is not to be extended to primary providers, but in New Zealand they were only ever partially absorbed into the "free" national system, and the government has contented itself with removing entirely the subsidy paid for visits to GPs by above-average income earners. They must now pay the full cost — averaging around NZ\$30 (£9) — for such visits.

Gone, too, are most remaining universal welfare benefits, including a significant reduction in payments to pensioners. Most controversial, though, are new part-charges for hospital visits, introduced earlier this year. Labour and leading health practitioners say this is the first step towards fully privatised health care.

vatised health care.

Mr Simon Upton, the health minister, vigorously refutes such claims. "Our agenda is simple: to cope with the fact that we are a heavily indebted country that will have to contain spending to survive," he says. The charges will extend to only 20 per cent of users - but now the charging structure is in place, they can easily be extended downwards, say the critics.

To an outsider, the welfare reforms look positively revolutionary. But Mr Upton insists: "The only significant political debate in New Zealand is whether governments of whatever party will be able to resist calls for a social dividend from growth." For the government, debt reduction must have first call; doctors, teachers and



### A beacon in the Pacific

NEW ZEALAND in the 1980s and early 1990s has become increasingly aware of its relatively small size. This realisation has been bolstered by its banishment by the US from the Anzus defence pact, and awareness that its once close links with Britain are fading as the UK becomes more deeply involved in the European

Much to its surprise, it continues to be regarded as a Pacific power by many of its smaller island neighbours. In part, this is historice following the First World War it became a colonial power itself as Western Samoa, a German Pacific territory, was ceded to its control. Many Pacific Island leaders studied in New Zealand schools and universities, fostering links that remain strong to this day.

Relations with France, the region's last remaining colonial power, remain uneasy because of French nuclear tests. The Fijian coup caused a rift which is healing under a new National government.

Turbulence often marks relations with states such as Samoa, although these tend to centre on migration problems, particularly New Zealand's treatment of overstayers. Recent New Zealand governments have run into friction over ald matters, as they seek to earmark donations to causes that are seen as of economic value to the island nations.

The five cyclones that devastated many of the nations in the past 18 months, however, have shown the deep links with New Zealand in a generous outpouring of aid by both the government and individuals. More Samoans now live in Anckland than in Western Samoa. Remittances from migrants working and living in New Zealand to relatives are an important part in sustaining some island economies.

New Zealand has always been a trading

foodstuffs to French territories such as Tahiti and New Caledonia. These commercial links led the Bank of New Zealand to become the main retail bank in most of these territories. The bank's financial problems from 1987 forced it to sell these subsidiaries to Australian banks.

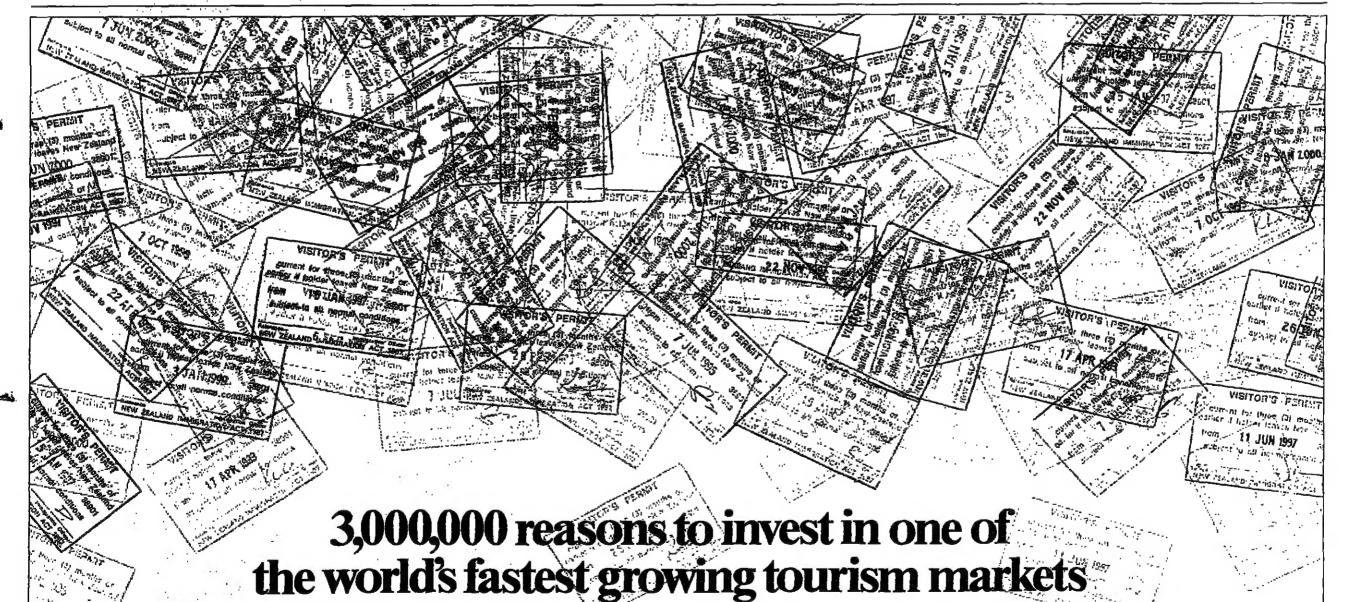
Today the Pacific, including Papua New Guinea, remains a significant market for

nation. For over a century it has supplied

New Zealand products. This includes meat

the area takes 5 per cent of all meat
exports — and fresh vegetables. New Zealand places a considerable effort in diplomatic relations with these often highly
sensitive small states. These efforts seem
to be successful: despite occasional problems. New Zealand is warmly regarded as
its smaller size makes it less threatening
to tiny nations. As a result, New Zealand
is set to win an increasing share of trade

with these countries.



he New Zealand Tourism Board (NZTB) target of 3 million visitor arrivals annually by the year 2000 is ambitious, but current trends suggest it is entinently attainable.

Since 1983 visitor arrivals have doubled, representing a growth rate of about 8% p.a. In the year to April 1992, one million visitors came to New Zealand and spent approximately £0.7 billion, making tourism the country's largest foreign exchange earner. When spending by domestic travellers is added tourism is a £1.7 billion industry.

With no capital gains tax, extremely favourable macro-economic conditions and a strong commitment by both Government and the private sector to encourage and assist foreign investment, it is certainly an opportune time to consider seriously the benefits of investing in tourism in New Zealand.

In addition, the NZTB itself is focusing more resources on its key markets through aggressive promotion and marketing

campaigns, to ensure New Zealand reaps the benefits of its location in the world's fastest growing tourism market, the Asia-Pacific region.

New Zealand already enjoys consistently high growth out of Japan and Germany and a major slice of the Australian outbound market. The United Kingdom is a well-established tourism market for New Zealand, which continues to offer very good potential. Asia is seen as a market with outstanding growth potential, as is the American market. The NZTB has dramatically increased resources and is opening new offices in these markets to further stimulate this growth.

To meet the needs of three million visitors annually by the year 2000, capital investment of about £1.7 billion will be needed for transport, accommodation and other facilities. This represents a major opportunity for investors.

Investment opportunities in existing tourist locations, as well as new regions being discovered by international visitors, include

hotels, golf, ski and activity-based resorts, convention centres, spa developments in geothermal regions, exclusive fishing and hunting lodges, and backpacker and budget accommodation. In addition, investment opportunities exist in the transport and activities/ attraction sectors.

The potential for visitor growth to New Zealand is real and the opportunities for investors are exciting. For further information, please contact:

Albert Stafford, Manager
Planning, Policy and Investment
New Zealand Tourism Board
P.O. Box 95, Wellington
New Zealand
Telephone: +64 4 472 8860

Facsimile: +64 4 478 1736

New Zealand

THE MAORIS' GRIEVANCES

## They 'need a place in the sun'

with the Maori people since the signing of the Treaty of Waitangi with the UK in 1840, the New Zealand government is painstakingly working through hundreds of land claims. The aim is to achieve a "full and final settlement" by the turn of the century to try to bring about greater

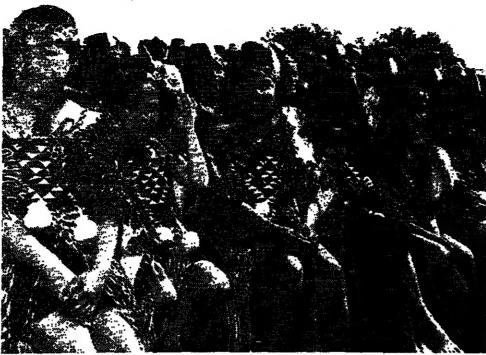
other difficulties, such as Maori bitterness at the Pacific territories. There are now 20,000 more people from Polynesia living in Auckland than Maoris; Polynesians will Wellington. Largely unskilled, they tend to compete with Maoris for jobs and live in similar state housing areas. Apparently due to peer pressure, Maori children tend

addressed by the government which raised the leaving age for all races to 16 in the July

of unemployment. Efforts are being made through work schemes to tackle their lack of

confidence that some of the Maoris' economic problems will be settled through the hearing of claims over the Waitangi Treaty. This has offshore fishing resources, as a direct result of the previous Labour government backdating

The land issues have been more contentious, especially a Ngai Tahu tribe for most of



Maori children dressed in traditional costume for a ceremonial occasion

claim for all government land, most of which was transferred

NZS35m from their claim through a land bank procedure. It is hoped this could lead to a settlement of all their claims within a year, possibly netting them NZ\$350m. In such cases the Maoris tend to invest the money, often with the target of creating work for their people.
In the North Island protracted delays in reaching settlements have led to isolated incidents such as the burning of a farmer's home recently after he sought higher compensation than the government was prepared to pay over a disputed parcel of

place in the sun like everyone else." He says durable

**Terry Hall** 

Terry Hall on the rise of Fay, Richwhite

## Financiers with the \* highest profile

white are symbols of the successes of the economic reforms launched under the Labour government from 1984.

Their company Fay, Richwhite has been at the centre of much of the state asset sales either as adviser, facilitator or financier. They have been involved in many corporate mergers and takeovers. Last week they agreed to sell their 27 per cent holding in Bank of New Zealand, which has been acquired by National Australia

Fay, Richwhite has a vigorous, fast-growing operation in Australia and is also represented in money market operations in Britain, the centre of its European operations. In New Zealand's list of

wealthy people, the two regularly feature near the top. And Sir Michael has become something of a national folk hero through his dogged attempts to win the America's Cup; twice on the water and once through a special challenge and ensuing protracted court actions in New York.

PAUL COLLINS - as much as

anyone - wants to see a

strong revival of the UK econ-

The man who spearheaded

of the British hotel group,

Mount Charlotte, now faces

pressure to prove to a some-

what sceptical New Zealand

was a good move. The purchase in 1991 represented

Brierley Investment's single

biggest investment, and was

seen as a declaration that Mr

Collins, not founding chairman

Sir Ron Brierley, was now run-

ning the company with the

support of Mr Bruce Hancox

Mr Collins, who has been

chief executive of Brierley

Investments since 1983, was

enthusiastic about Mount

Charlotte and its management

team led by Mr Robert Peel from the time BIL bought its

initial stake in 1987. To address the balance-sheet strains,

Brierley this year sold its other major British investment,

Tozer Kemsley and Millbourn,

the car group, arguing it was

now a mature investment.

TKM was restructured over

much of the previous decade

by Mr Reg Heath, its chief

the executive chairman.

omy and its tourist industry.

**Profile: PAUL COLLINS** 

neering merchant bank, Securitibank. The pair have a reputation for good timing: both resigned to set up their own business well before Securitibank's collapse in December

Only once have they been caught out when they rushed to buy the stake in the Bank of New Zealand in 1989. The bank later discovered it had massive

Both resigned to set up the business well before Securitibank's collapse in December 1976

bad debts totalling NZ\$1.4bn in Australia, and Mr Richwhite has said they failed to do their homework properly.

Early days for the partnership were difficult: the two operated from a tiny office and experimented with property speculation, financing restau-

rants and films. However they prospered from the early 1980s when controls were put on interest rates as part of a freeze. As early supporters of the Labour goverument of Mr David Lange

MERCHANT bankers Sir Richwhite in the early 1970s and Sir Roger Douglas, they Michael Fay and David Richwhite in the early 1970s and Sir Roger Douglas, they Michael Fay and David Richwhite in the early 1970s and Sir Roger Douglas, they michael Fay and David Richwhite in the early 1970s years, and are quick to say they made a fortune out of being the first, and for a time the only, players in the Euro-Kiwi financial markets which took advantage of the lifting on controls on currency and

investment. Their company took an active role in advising the government on possible asset sales. They handled the biggest sale of all. Telecom, to Bell Atlantic and Ameritech for NZ\$4.2bn in 1989, also being responsible for Telecom's international public float last year.

Both men are now seen as key figures in the Auckland establishment. They are personally charming: attributes which have helped them rise to the top of acceptability from running what was considered a fringe operation in a remarkably short period of time.

Sir Michael has the high profile: Mr Richwhite is cast as the backroom boy who makes sure the company and all its deals run smoothly. Fay, Richwhite is New Zealand's most prominent financing organisation, and appears determined to stay that way.

UNDER A NEW migration policy. New Zealand is once again actively promoting itself in Britain, the source of most of its European migrants since the whaling and sealing days of the early 1800s.

From annexation by Britain in 1840, New Zealand's migration statistics have been dominated by British migrants. (This changed in 1976, when the Muldoon government, concerned about over the high economic cost of settlement in the face of the first energy crisis, clamped down on all migration.) Thousands of New Zealanders, many in senior positions in business, government and the bureaucracy, today speak with English accents and are proud to say they were assisted migrants under the long-running £10 assisted pas-

Thanks, possibly, to their numbers and the influence of Indian migration, while thoutheir descendants, there is no sands of Asians, many from anti-monarchist republican

**IMMIGRATION** 

## Britons are targeted

movement as there is in Aus-

From the 1960s New Zealand received increased waves of Polynesian migrants as the country struggled to find unskilled labour for its protected industries. With the dismantling of protection since 1984, many are now unemployed. Most Polynesians now gain admission through family connections, although overstaying by island people on holiday, or with expired work permits, is a continuing problem for the authorities.

Since the Fijian coup, New Zealand has had a high level of Hong Kong, Taiwan or Malay-

Our liquid assets are generating interest

Water. One of our most valuable assets, with which we generate 75% of New Zealand's electricity.

We protect our environment, our lifestyle and, naturally, our profitability.

Our credit ratings are AI+/AA- from Standard and Poor's, and PI/Aa3 from Moody's.

other side of the world - McIntosh, New

Zealand. And like all good relatives, they

keep in touch. So if there's a great

investment opportunity in New Zealand or

Australia, you can be sure that McIntosh in

McIntosh is a leading investment authority

in the Australasian market, with extensive

research facilities working to provide the

best possible advice for investors.

London will know all about it.

Electricity Corporation of New Zealand Limited

PO Box 930, Wellington, New Zealand. Tel: (64-4) 472 3550 Fax (64-4) 473 3189

When you're looking at the market

down under, talk to McIntosh in

► Andrew Fraser or Mark Cubit

▶ John Chisholm

Auddand, NZ

McIntosh

Phone: 649 / 309 5334

Phone: 071 / 457 3800

London or New Zealand.

London, UK

through various entrepreneur-

Officially, New Zealand welcomes migration from all parts of the world. But a preoccupation of Mr Bill Birch, the new minister of immigration, has been to emphasise skills. Mr Birch, regarded as the most powerful man in the cabinet, is the driving force behind the new policy which initially targets British migrants - and sets out to make them aware of British initiative has had a their acceptability.

ple interested in buying an existing enterprise, or seeking a top position to manage the changes now under way in the country, will be keenly sought. led to the recruitment of Dr Peter Troughton, the former Telecom head who is now a senior government adviser on health, and Ms Angela Griffin, the new Wellington city man-

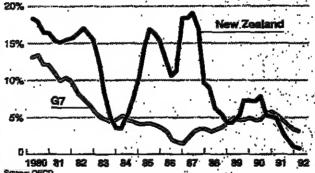
A second target group is people loosely described as wanting to "take a chance with a new initiative, or doing their own thing, or in competing for management positions." The good response; in the first few days 600 applied for information from New Zealand House. A simple points system is designed to tell intending migrants quickly of their acceptability

Over the past year, the num-ber of migrants from Britain appears to have reversed a declining trend - it is believed that the complex admission systems were a great handicap. A total of 3,547 British

migrants received residence permits in the year to June 1990; 16.19 per cent. In the year to June 1991, 3,875 people settled from the UK (15.58 per cent) and in the year to June 1992, 3,267 - 16.92 per cent have been accepted. Under the new policy this number is expected to grow over the coming months.

Europe is also targeted (from the New Zealand embassy in Bonn): 5.54 per cent were accepted in 1990; 7.16 per cent in 1991; 6.72 per cent to June this year. The rest of the world provided 17,146 (78.27 per cent) in 1990; 19,209 (77.36-per cent) in 1991, and 14,745 (76.36 per cent) to June this year.

#### Inflation



executive, with full BIL finan-**Profile: IAN DONALD** 

### Challenge that could not be turned down

With revenues of US\$8bn, Fletcher Challenge has substantial overseas investments in Australia, Brazil, Chile, Canada, Britain and the US. Mr Donald's original term had been extended by two years. It was expected he would stay in Canada till the company returned to profit after the losses of the past two years.

Mr Donald is the last remain ing senior executive of the old country's biggest rural group.

As financial officer, he succeeds Mr David Sadlier, one of the country's most popular business figures who had held that post, first with Fletchers and then with Fletcher Chal

farms for three years before deciding he needed better qual-After completing degrees in

C\$1.4bn upgrade of its plants.

The company's sales total US\$2bn, but because of the recession profits have been erratic. In 1989 the group earned US\$250m after tax, but it incurred a US\$20m loss last year, with a similar result expected this year. Mr Donald says he is very bullish about the industry and prices should pick up as the slow economic

#### Cautious winner at Brierley cial backing and the support of Mr. Hancox

Mr Collins, who visits Britain most months to study the Mount Charlotte investment, has become a walking encyclopedia on the British hotel and tourism industry. He has a remarkable ability to remember facts and figures about the company he heads, investment community that it its investments and technicalities in its balance sheets and those of its subsidiaries. This seems to have been bred into him. Both his father and erandfather were New Zealand auditors general, and his uncle. Sir Bernard O'Connell, was a brewing magnate. Now 39, Mr Collins was a key

player with Mr Hancox in the boardroom coup which led Sir Ron Brierley to step down as chairman in 1989. This followed the 1987 crash and differ-ences of views on how the company should be run in a new investment climate. Sir Ron was reluctant to sell some major assets, and was keen to invest in others. Mr Collins' innate caution triumphed, and led to the sale of NZI, Win-stones, New Zealand Newspapers and most contentious of all, IEL, the Australian investment vehicle that Sir Ron had

encyclopedia on British hotels

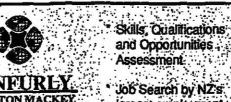
in Sydney.
Since the coup. Brierley Investments has been accused of lacking Sir Ron's vision. Confusingly, both Mr Collins and Mr Hancox argue they run the company on Sir Ron's guiding principles. Sir Ron still provides some input on the board and runs the Brierlev subsidiary GPG, which has BIL back-

Mr Collins says that caution is among his personal weaknesses, along with perfectionism. He has imposed disciplines, especially on financial reporting, on the company, and as one of its largest individual shareholders, he is determined to see it succeed. He has a reputation for being single-minded. "I make no apologies for being tough. There are no rewards for second prize, and every transaction must be done to the best extent you can," he says.

**IMMIGRATION: NEW ZEALAND** 

AFTER SEVEN difficult years in charge of the restructuring of pulp and paper group, Fletcher Challenge Canada, Mr Ian Donald seemed a surprise choice to be recalled to Auckland to become chief financial officer for its parent - New Zealand's biggest company.

Wellington-based Challenge Corporation which merged with Fletcher Holdings of Auckland in 1981. After the transfer of the head office in 1987 from Wellington to Auckland, senior Fletcher people increasingly dominated its management. Yet, had the merger not occurred, Mr Donald seemed earmarked to succeed Sir Ron Trotter as chief executive of Challenge, the



largest employment Consultancy Permanent Résidency.

Business investment:

and Advice

40 Bow Lane London EC4M 9DT Ph (071) 489 8827

New Zealand and Australia, Hong Kong, Kores

lenge, for over 20 years. Mr Donald dominates any group. He is 6ft 6in, powerfully built, with a booming voice. He was born in Liverpool in 1941. His doctor father, who was serving with the Eighth Army in North Africa, sent his young family for safety to Canada and then South Africa. When the family was reunited after the war, they emigrated to New Zealand. Mr Donald worked on

commerce and accounting, he gained qualifications in farm accounting in England and agricultural economics at Michigan State. He joined Challenge Corporation in 1972. becoming head of the rural division of Fletcher Challenge in 1981. As head of the company's operations in Canada from 1987, he oversaw the merger between British Columbia Forest Products and Crown Forest Industries to form Fletcher Challenge Canada, and the

recovery gains pace in key North American markets.

#### developed over 20 years living Terry Hall

Recent reforms to New Zealand Immigration Laws and Policies almed at attracting quality migrants from a wider catchment of countries have meant that a guaranteed job offer is no longer a requirement for being approved for residence. Applications for permanent residence may now be made under four major categories Seneral, Business Investment, Family and Humanitarian.

Hesketh Henry is one of New Zealand's leading law firms. We offer a comprehensive immigration service including; information and advice on New Zealand's immigration policies, assistance with the preparation of applications and submissions, liaison with immigration officials and information on education, health, banking, housing and employment. We invite you to write to us for more information

Contact: Myer Lipschitz Ph: 064-9-309 0552 Fax: 064-9-309 4494 Private Bag 92093, AUCKLAND NEW ZEALAND

EAWHNK



Legal services to the business community since 1875.

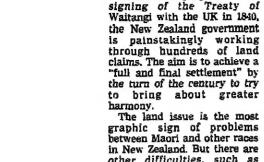
New ZEALAND

Wellington Contact Barry Brown

Auckland Contact Michael Walls Evan Williams

Stephen Anderson Wellington: I Grey Street, PO Box 993, Telephone (04) 499-5999, Fax (09) 472-7111

Quay Towar, 29 Customs Street West, PO Box 2206, Telephone (09) 309-4470, Fax (09) 377-0851



in New Zealand. But there are Polynesians from neighbouring also soon outnumber Maoris in

IN A bid to settle grievances to leave school at the earliest that have strained relations opportunity, a point being Maoris form a disproportionate percentage of people in

jail: a figure possibly related to their higher than average level

already seen the Maoris receive a substantial share of all claims to 1840.

controversial claim by the South Island. privately-owned land is outside

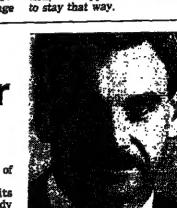
any claim in effect this is a to state-owned enterprises. The Ngai Tahu people have to date received around

Mr Doug Graham, minister of justice, hopes the claims will have the effect not only of improving race relations but also of letting Maoris "out of the dependency mode where they've been for much too long. They need to take their

solutions are being achieved when both sides think a deal is

had that opportunity. They were just told: This is how much you're going to get, and you're damn lucky to get it. What the Maori people want is something that gives them a leg up to where they were before the expropriation took

The two have been partners since 1975, and both are 43. Sir Michael, a lawyer, met Mr



Paul Collins: a walking

NEW ZEALAND'S political and trading; relationships with Australia have under-gone striking changes since the signing of the closer economic relations pact a decade ago. Today they are major trading partners, with increasingly close links in

defence, aviation, customs and police. It was not always so. For though both bourne than these are to Perth in West Australia) and similar democratic systems, both jealously guarded their indepen-

New Zealand, as the more Anglophile of lian tax. the two, retained closer trading relation-ships with Britain after it joined the EC. Australia, the stronger economy, increasingly looked to Japan and Asia. Enthusiasm for closer economic relations was stronger in New Zealand. Signing of the CER agreement succeeded because of the enthusiasm of Mr Hugh Templeton, National's trade minister, and Mr Doug Anthony, Australia's deputy prime minis ter and leader of the minority Country party, both frustrated at the slow progress of Nafta, the previous trade pact.

Today it would be difficult to imagine :: any serious rupture in the CER agreement. as it has produced significant benefits to both countries. Yet the fragility of the business. relationship was shown last month when. Disrupting the free movement of labour, ments, has antagonised some Australian Mr Don McKinnon, New Zealand's deputy Mr McKinnon warned, could act to the ministers in the Labor government who,

RELATIONS WITH AUSTRALIA

## Closer, but still some way apart

countries had similar British origins and prime minister, needed considerable diplolinks in war, migration flows (New Zea- matic skills to defuse a strong move land is much closer to the main Australian within the governing Australian Labor population centres of Sydney and Mel- party and the ACTU, the trade union organisation, to impose work permits on New Zealand workers who were allegedly working outside the union movement for cut price wages, and not paying Austra-

> . As seen from New Zealand, the issue was a crucial one, and struck at the heart of CER, as an open and free labour market was seen as a vital component. Work permits had never been needed between the two countries, and the issue, initially sparked by the Australian Shearers' Union, seemed trivial.

> In his talks with Australian ministers Mr Mckinnon hinted delicately that New Zealand could retaliate with reciprocal requirements. This could have profound effects on major Australian companies in the banking, insurance and manufacturing industries which have recently moved to dominate some sectors of New Zealand

omy. Mr McKinnon, who has excellent relations with senior labour figures, succeeded in his mission with an agreement that tax matters would be investigated. But the matter left a feeling of nervousness in New Zealand government circles that a relatively minor issue, whipped up by trade unionists, got as far as it did in nearly undermining CER.

There is also some concern in Wellington that the review of CER, due this year, seems to be making very slow progress. It is concentrating on a number of issues, including making it easier to trade, travel (where some progress has been made) and to invest in and work between the two countries. The review is also supposed to consider such questions as a new double tax agreement which would facilitate the paying of imputation, or tax on shares in

companies in the two countries. Widespread publicity in Australia about the success or otherwise of New Zealand's economic reforms, especially in curbing union power and cutting wage agree-

Both Mr McKinnon and Mr Jim Bolger, the prime minister, are expected to concentrate their efforts in the coming months on trying to play down ideological differences with the Australian government and return to the warmer relationship that existed between 1964 and 1991 when both countries had Labour govern-

During that period, the reformist New Zealand government of David Lange swept aside a vast array of controls on the economy, including relaxing ownership rules on companies. This led to a rush of Australian investment, which accelerated after the 1987 share market crash as share

values plummeted in New Zealand. The strengthening business links became apparent in May and June when the Australian government was seen in Wellington to have shown considerable flexibility to the New Zealand position in establishing its new aviation policy. The first step in this was to create a single aviation market between the two coun-

judging from recent speeches, seem keen to stop the spread of what is known in Australia as "the New Zealand disease". tries, while New Zealand needed to move to protect the interests of Air New Zealand, in which Qantas is a substantial shareholder.

> Politically, there remains considerable public disquiet over the signing of a NZ\$2.4bn agreement by the Labour government in 1988 under which the Australians are to build two frigates for New Zealand. Costs have risen by 31 per cent already, and a government committee has expressed reservations about the wisdom of the deal which was supposed to have led to N2\$700m worth of business for New Zealand manufacturers. The frigates could have been bought much more cheaply from British or European shipyards.

While overall trade statistics show that trade between Australia and New Zealand is broadly in balance, that reverses the situation from the 1970s when Australian manufacturers dominated. New Zealand exported \$2.11bn worth of goods to Australia in 1990-91, the latest year when figures were available. This was a 1 per cent drop in 1990 figures, and represented 17.9 per cent of all New Zealand exports (compared with 18.9 per cent in 1990). The drop was

due to recessionary trends in Australia. New Zealand now supplies 4.7 per cent of all Australian imports. Australia has increasingly drawn ahead of Japan, the EC and the US to become New Zealand's most important market, taking 52 per cent of the country's manufactured goods. It is

estimated that, thanks to the economic reforms, currency changes, lower wage and industry costs, New Zealand compa nies enjoy a 25 per cent cost advantage over their Australian counterparts.

From the New Zealand perspective, there are several worries over the future of the agreement. These rest on the need to maintain the present competitive advantage; uncertainties of how far the Australian tariff reduction reform programme will go and what effect this will have on exports of top quality New Zealand apparel and garments. On the posi-tive side, it is now widely acknowledged in business circles that barring unforeseen political problems, the two countries will inevitably grow increasingly close, leading to the hoped-for single market.

Among business people, there is also growing talk of eventual political union, with New Zealand in effect becoming a state of Australia. However, this is unlikely to happen quickly. Older New Zealanders - and the present generation of politicians - will not rush to give up their notions of independence.

Angela Wigglesworth salutes a growing reputation for fine wines

## Just right for British palates

meteoric rise over the last decade of New Zealand's reputation for fine wines is that there was no mention of them in Hugh Johnson's encyclopaedic book published in 1966. Not until the 1980s did New Zealand wine begin to have international status; in 1981 exports to the UK totalled 37,890 litres; 10 years later they had jumped to 2.2m litres. For the 11 months to June this year, the figure is 3.3m litres.

While domestic wine sales are expected to fall from over 41m litres in 1990-91 to 39m litres in 1991-92 (last year's budget curtailed retail spending and raised wine prices through increased excise duties), exports have grown by 21 per cent in volume and 32 per cent in value over the same period. White wine accounts for 83 per cent of output, red-wine (growing at the fastest pace) for 11 per cent, sparkling wine 4 per cent and fortified wine 2 per cent. The UK, which takes 42

11日本の一日の日本

gest market.

"More people in Britain are becoming aware that New Zea-land makes wine that is of high quality and sells it for just under £5 a bottle," says Ms Vicky Bishop, UK manager of the New Zealand Wine Guild, a group of export wineries estab-lished last year. The range is large for a relatively small country and, at the guild's annual testing in London this year, visitors were able to try 200 different and many awardwinning wines - Sauvignon Blanc, Chardonnay, Chenin Blanc, Riesling, Cabernet Sauvignon and Pinot Noir - from 43 of the country's 100 or so

wineries. The main wine-producing areas - the most easterly in the world - are in north-west Auckland, the Bay of Plenty, Gisborne. Hawke's Bay and Martinborough, the Canterbury Plains, Nelson, Central Otago. In Mariborough, the Wairau Plains has become one per cent of the country's wine of the 10 great wine-producing

largest in New Zealand. It is hard to believe the first grapes

were planted here only in 1973. But wine-growing in other parts of New Zealand goes back 140 years: Mission Vineyards at Hawke's Bay dates from the settlement of French missionaries in 1851. Corbans in Henderson was established in 1902 and Te Mata in 1909. Many winemakers and growers are third and fourth generation descendants of European immi-grants who brought the skills of winemaking with them. Montana, for instance, was

founded in 1944 by a Dalmatian immigrant Ivan Yukich and now has 850 hectares of vineyards yielding up to 15,000 tonnes of grapes. With a 1,000tome winery crushing an estimated 45 per cent of New Zea-land's entire grape crop, it is the largest winemaker in the country.

The most successful winery. says Bob Campbell in his New Zealand Wine Annual, is

Blanc "developed cult status almost immediately after the release of the first vintage in 1985 and has remained highly sought after ever since." Mr Kevin Judd, a wine-maker who was born in England but left when he was nine to live in Australia, told me, over Vivaldi's music in the winery, how the company began: David Hohnen, the Western Australien winemaker, had "got successful with his reds, wanted to make whites, but wasn't getting the right quality."

In 1984, four New Zealand winemakers dropped in to see him, produced a bottle of their Sauvignon Blanc which so impressed him that within a year Mr Hohnen was in New Zealand having a look round. "In 1985 he offered me the job of winemaker," says Mr Judd, "and we set up Cloudy Bay." Today around 90 per cent of its wine is exported round the world where it is pre-sold before delivery.

Another success story comes Cloudy Bay whose Sauvignon from the three Nobilo brothers,



Cooks McWilliams Wine Co Vinery at Te Kauwhata

the second generation to run their family winery, Nobilo Vintners, which is nearly 50 years old. Last year they signed a NZ\$3m contract to supply L5m quarter bottles of their Poverty Bay Chardonnay to British Airways. The deal boosted New Zealand wine exports by 6 per cent and made BA the first airline to serve non-European wine on its European flights, according to Mr Peter Russell, BA's public

New Zealand's only methode champenoise specialist is Mr Daniel Le Brun, a 12th genera-

tion champagne maker from Epernay in France, who came to Marlborough in 1979, bought 35 acres and opened the winery six years later. "He came looking for a hillside and found this," his wife, Adele, who comes from Cumbria and is the winery's marketing manager, says. "This" was, indeed, a hillside and Mr Le Brun dug deep into it to create the only underground cellar in New Zealand to provide him with a naturally cool environment for maturing the wine.

"Everyone thought he was completely round the twist,"

Adele says, "but it's worked." Many vineyards have intro-duced Visitors' Tours and Trails (one company runs a "de luxe scenic wine trail with white water rafting" two-day package) and there are at least 10 local wine and food festi-

The largest is in Marlborough, sponsored by Air New Zealand, which also offers a wide selection of New Zea land wine on its aircraft, changing the wine list quar-terly to bring innovative local winemakers to the fore. Their festival, held every February on Montana's Brancott Estate and now in its ninth year, is so popular that a hectare of grapes has just been pulled up to make more room for its 14,000 visitors.

"You can sample a glass of the best Sauvignon Blanc in the world, while relaxing on a hay bale enjoying the musical entertainment in the sunshine," says Mr Mike Blair, the festival's enthusiastic co-ordinator, adding that a pink and blue toilet built specially for the Queen's recent visit to the area but never used, was now the festival's information cen-

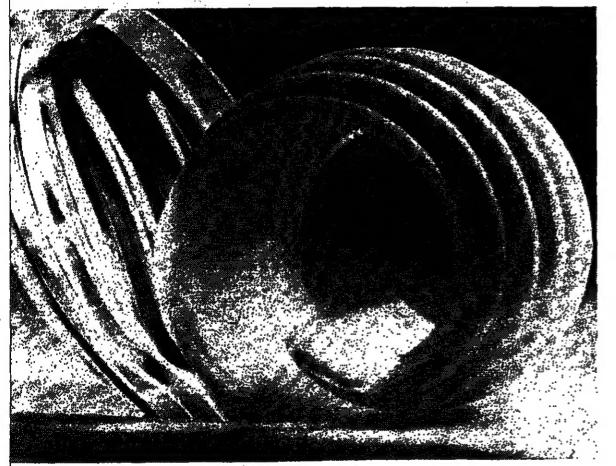
Avery, the Bristol shippers. wine merchants and agents for Nobilo, was one of the first to bring New Zealand wine to the UK. "We are always looking for wine that tastes as if it was \$7 a bottle but costs 25," says Mr David Pinchard, marketing manager. "What makes New Zealand wine so special? It has to do with the climate (warm sunshine, light summer rains and a long autumn ripening period) which seems to produce these very dramatic Sauvignons that don't taste like anything else in the world."

The way they make some of the wine is unusual, too, he says. They pick grapes on South Island, truck them up overnight to Auckland and arrive at the wineries with the fruit pressed down and frost on it. "It's a vision of wine making that is different from anything that exists in Europe.

"All of us in the business," he adds, "are terribly keen for the New Zealand wine industry to work. The wines are so good they're forcing the French to re-evaluate theirs."

The New Zealand Wine Guild will be taking part in a regional wine tasting in Bristol (September), the Sunday Times/Decanter show (October), the BBC Good Food Cooking and Kitchen Show (November) and a consumer tasting in London on December 8 at the Commonwealth Institute.

THE CUTTING EDGE TO A LAND OF NEW OPPORTUNITIES.





In a land still bursting with opportunities, it's crucial to have a bank who can introduce you to the best of them.

At HongkongBank, we're particularly attuned to the New Zealand market. And to the many Asian countries where we have conducted business for over a

century. With our unrivalled record in trade finance and commercial banking, we offer investors and traders unique access to the New

And, as the principal member of the HSBC Group, HongkongBank enjoys the support of the Group's international network of 3,300

offices, including over 600 in Asia.

Zealand market.

To find out more, contact one of our offices in New Zealand:

Auckland (9) 309 3800,

Wellington (4) 801 5445,

Christchurch (3) 665 658; our London Office at 99 Bishopsgate. London EC2P 2LA, Tel: (071)

638 2366; or your nearest

HongkongBank office.



### New Zealand: An outward-looking economy.

tre.

New Zealand's situation in the world requires us to look outward. Our society and our economy thrive on contacts with other members of the international community. The economic strategy of my government is based on market opening: New Zealand's market is already one of the most open in the world, and we are active in moves to promote international liberalisation at all levels, particularly

in the multilateral context of the GATT. Throughout our history links with all parts of the world have been important to us. Our economy is increasingly closely integrated with that of Australia, and our trading links with other countries in the Pacific Basin are growing rapidly. The European Community,

taken as a whole, remains our largest single trading partner. New Zealand plays its part as an international citizen through the United Nations and a wide range of development institutions, global and regional.

As a people, we are challenged by the rapid developments taking place in the political and economic architecture of the world. We are determined to play our full part in shaping new relationships; we feel we have something to contribute.

New Zealanders are a resourceful, adaptable people. This has been demonstrated in the response to the far-reaching and fundamental programme of economic reform that has been under way for several years, which has involved a profound reappraisal of the relationship between the state and the individual. We have gone in a few years from being one of the most highly regulated economies in the OECD to one of the most deregulated. This process

has involved painful adjustment, but there has been a remarkable ability to face reality and accept responsibility for shaping our own future, We have learned much from our experiences.

The benefits of that adjustment are now showing clearly. We have the lowest rate of inflation in the developed world. Exports are growing strongly, and the balance of payments has moved into surplus. Labour market reforms have promoted flexibility in work practices which, together with the Government's determination to remove barriers to competition. at all levels, gives us a highly competitive cost structure. These benefits are sustainable, because they have been brought about by hard work and attention to the fundamentals.



Rt Hon J B Bolger Prime Minister

dynamism of the Asia-Pacific region; in doing so, we offer opportunities to business partners and investors from our region and beyond.

In many ways, our economy complements those of our neighbours in East Asia. We enjoy abundant natural resources and a pleasant way of life in a beautiful country. We also boast a skilled workforce with a flair for innovation in high-technology applications, and an efficient transport and communications infrastructure. New Zealand and Australia in effect form a single market, and our government and business community are rapidly developing close linkages throughout

We are poised to take advantage of the

the wider region. Recognition is growing of the benefits of New Zealand as a place to do business, not only as a market in its own right but by virtue of its strategic position on the threshold of the most rapidly

growing region in the world. In order to develop our potential in these markets, massive investment will be required. The New Zealand government welcomes investment from abroad, which fits in well with our general economic philosophy of openness and integration with the international marketplace. Foreign investment is important as a complement to trade and a vehicle for the transfer of technology and know-how. Our approach to investment relies on a simple, liberal regime and our underlying economic strengths; the government sees no need to offer specific incentives. It is becoming increasingly evident that international investors appreciate the advantages of doing business in an environment where their prospects are not subject to the distortions that arise from ad hoc

government actions. I invite the readers of this supplement to re-think some of the longstanding perceptions of New Zealand. Our traditional strengths in agriculture remain, and should be enhanced through a successful conclusion to the Uruguay Round of GATT negotiations. But we have been applying our talents to luxury products like wine, to niche manufacturing, to knowledge-intensive industries like software, to a wide range of services, as well as to value-added resourcebased products. The essential success factor in this resurgence is the "can-do" spirit of our people. We face the future with confidence. and we are happy for our friends to have a share in it.

There is no cestriction on the movement of hands, profits, or capital from New Zealand.

The publication A Cubic to Making an Application under the Overseas Investment

PROCEDURES FOR INVESTMENT

IN NEW ZEALAND.

rocedure for approving investment from overseas, with no consent required in most cases for investments less than NZS10 million and routine

dations1985" is available from New Zealand overseas posts of the Overseas Investment Commission which administers the regulations, ADDRESS: The Secretary Overseus Investment Commission

PO Box 2498 Wellington New Zealand **TOURISM** 

## Target trebled after visitors top 1m

IN VICTORIAN times, New Zealand's early tourists flocked to see the famous Pink and White Terraces near Rotarua in North Island until this landmark was destroyed by a volcanic cruption in 1886. Today. most tourists go to New Zealand for its scenic beauty and the innumerable outdoor activities it offers.

For the first time, in the year ending April 1992, visitors topped the million mark with 1.016,589 international arrivals mainly from Australia, the US, Japan, the UK and Germany, This puts the tourism board right on track for reaching its target of 1.123m visitors by the end of 1992," says Mr John Banks, the country's tourism minister.

Last year, the government formed a private sector-managed tourism board. Of its budget of NZ\$60m, the government provides NZ\$20m, with a further NZ\$20m to be awarded, so long as the commercial sector matches the sum, which it is on target to do within the year.

"This is three times the amount we have previously had and it provides us with a wonderful opportunity," says Mr Norman Geary, chairman of the tourism board, "We are telling airlines, tour operators and others involved in the New Zealand travel scene that we are going to put more money on the table to help them, but they have also got to make funds available. The more costs are shared, the more benefits there will be for those who contribute towards them."

Tourism currently generates NZS6bn (around £3bn) a year. the largest single amount of overseas income. In a comprehensive strategy for growth. the board has set out its plans up to the end of the decade. Its long-term aim is to attract 3m visitors by the year 2000.

That is a staggering figure since it is about New Zealand's present population. But the benefits to the industry and economy generally of achieving this target, says Mr Geary. would be NZ\$5.7bn in foreign exchange earnings with 270,000 jobs in tourism, double the

present fleure. Was there not a danger that that many visitors would destroy the very things they came to see? Mr Ian Kean, the tourism board's chief executive, admits that if there is too much growth, the environment will suffer. "Growth must be managed carefully, sensitively and correctly," he says. The board works actively with the Department of Conservation and the national parks to ensure visitors do not spoil any

natural attractions. Investment opportunities exist in abundance, says Mr Kean, and the tourism board work as a catalyst "with any-

one to make things happen". The board has begun a series

some of the world's main markets to promote opportunities in New Zealand. One has been held in Singapore and others will follow in Britain, Japan and Korea. The campaign, the board hopes, will help shatter the myth that New Zealand is

clean, green but boring. This year, too, Auckland has broken a northern hemisphere grip on a million dollar-a-day business by winning a bld to host the 1994 world conference of the Society of Incentive Travel Executives. About 300 travel planners, controlling budgets totalling more than NZ\$17bn a year, will see what New Zealand has to offer.

Ask most visitors what they like about the country and the answer is likely to take in the unspoilt landscape, the cleaniness of the cities, the unpolluted air, the friendliness of the people, the Maori culture. You can find the scenery of the whole world in New Zealand. packed into a country the size of Britain: snow-topped mountains, rainforests creeping to the feet of glaciers, turquoise lakes and rivers. wide plains. flords, fine beaches, steaming

mudpools and geysers.
Older people may like to experience these from the comfort of a car or coach (there are many organised tours). But now, with the introduction of lower-cost charter flights, more young people are able to get to New Zealand and the 24-35 age group - who walk the longdistance tracks, swim with dolphins, go whale watching, bungy jumping, river rafting and skling, to name a few of New Zealand's many sporting activities - has become an Important target market.

Uncrowded roads make for easy driving but InterCity coaches and trains are comfortable (some have sheepskin seats), clean and punctual. Bus drivers and train guards give cheerful commentaries; Devon cream teas are served on the Tranz Alpine Express as it climbs the spectacular Southern Alps, and you can

AGRICULTURAL exports, including fish, are playing a major role in returning the New Zealand economy to better health. While a 10 per cent currency devaluation over the past eight months has been significant, exporters' confidence has been buoyed by the growing international acceptance of

types. The primary producing sector was hardest hit by the economic reforms between 1984 and 1990. A combination of a high exchange rate and interest rates that sometimes hit 25 per cent forced many farmers to leave the land.

New Zealand products of all

A remarkable return in farming confidence has followed the arrival of minimal inflation, of investment seminars in | coupled with more competitive

New Zealand provides a window of

opportunity for direct investment

The New Zealand economy is recovering. Areas of strong

forecasted growth are forestry, food, tourism and specialised

Our competitiveness as a nation is due to our international scale

resource base, a low cost of production, flexible labour markets and

Southpac Corporation Limited is one of the leading corporate

finance houses in New Zealand and a member of the Lloyds Bank

Southpac offers strategic and financial advice in the areas of joint

ventures, mergers and acquisitions, takeover defences, and the

arrangement of equity, debt and quasi-debt facilities. Southpac

Corporation Limited is the market leader in cross border investment

opportunities. Investment is actively encouraged by the New

Zealand Government and is seen to be a key element of New

Now is the time to act. For information on how we can help you

with investment in New Zealand, or any other corporate advice,

Mr Andrew R Meehan

Chief Executive and Director

Southpac Corporation Limited

Southpac House

1 Victoria Street

PO Box 540

Wellington

New Zealand

manufacturing and service industries.

a free trade agreement with Australia.

Zealand's growth strategy.

please contact:

reach the inter-island ferry at Picton by the Coastal Express that travels up the east coast of South Island to the Mariborough vineyards.

New Zealand has its share of top hotels but more visitors are discovering that Home and Farm Stays are good value. These are a fairly new development, the equivalent of breadand breakfast in the UK, and a first handbook about them has recently been published.

For disabled visitors, the country has been called the most accessible on earth. Every new public building and major reconstruction required by law to provide adequate access for people with disabilities and there is a a guide available for "the less

mobile traveller This year, Air New Zealand. which announced a consolidated net profit of NZ\$56.1m in its half-yearly results to December 31 1991 and won a magazine "Airline of the Year' award as Best Carrier to the Pacific for the ninth year running, is adding a fourth weekly flight to Auckland with a Boeing 747-400 aircraft which, says Mr Bruce Leonard, the airline's regional general manager Europe, will boost accessibility to many Pacific islands.

Together with Jetset, the company is offering a 10-day fly-drive holiday from £997 to include return flights from Gatwick and 10-day campervan hire. A combination of flights and rental car for 10 days costs from £1,009 with accommodation vouchers available from £18 per person a night.

For two people travelling together, British Airways offers, till the end of October, one return ticket at £960, the other at £360. Several tour companies have cut-price rates: one, Abta-recognised, quotes £599 for a return to Auckland. Courier rates, to deliver mail direct to their destinations, are charged at a third of the full price on BA flights.

Angela Wigglesworth



Head of State	Queen Elizabeth II					
Currency No	New Zealand Doilar (NZS					
Average Exchange Rate	199	30 \$1 = 1.68				
***************************************	199	1 S1 = 1.67				
Exchange Rate (as at	July 20 1992)	S1 = 1.85				
ECONOMY	1990	1991				
Total GDP (Sbn)	42.8	41.9				
Real GDP growth (%)	1.0	-0.6				
Components of GDP (%)						
Private consumption	62,5	n.a.				
Total investment	21.5	n.a.				
Government consumption	16.7	n.a.				
Exports	27.2	n.a.				
Imports	-27.9	ก.ส.				

92,3	11.4.
21.5	n.a.
16.7	n.a.
27.2	n.a.
-27.9	п.а.
6.1	2.6
4,3	2.5
8.7	10.5
4.3	3.0
13.2	8.3
12.4	9.9
-39.2	17.8
-1.6	-0.6
9.51	9.25
9.49	8.75
0.2	0.5
Exports	<b>Imports</b>
	20.5
	15.0
	21.5 16.7 27.2 -27.9 6.1 4.3 8.7 4.3 13.2 12.4 -39.2 -1.6 9.51 9.49

11 Percentage change over previous year. As a percentage of labour for Percentage growth per annum, year end. Percentage share of 1991 values

|\*| Percentage share of 1991 values Sources: IMF, World Bank, Datastreum, Economist Intelligence Unit

Dairies are the bright spot, while exports have improved



## A small nation's sense of self-respect

BY ANY standards, New Zealand is one of the great achievers in world sport. Its roll call of world champions and record holders, now and in the past, is impressive and out of all proportion to what might reasonably be expected from a country of only 3.3m

Its medal hand at the last few Olympics has been impressive. On a medal per popula-tion basis it exceeded that of any other country, putting this small south Pacific nation in the forefront of international

It has also achieved great success in non-Olympic sports such as the Whitbread Round the World Yacht Race, where in the last event, after 24,000 gruelling miles, New Zealand yachts fought out an exciting climax to finish first and sec-

International sports admin-istrators and athletes sometimes ask why such a small country, with a population fewer than many large cities, excels in such a wide variety of sports, both as individuals

and in team events. New Zealanders take their sports seriously. When the national rugby team, the All Blacks, were beaten in the semi-final of last year's Rugby World Cup, millions of words were written and hours of television time were devoted to analysing the defeat in minute

Retribution was also swift. The selectors, coach, assistant coach, captain and several senior players - all deemed to have let their country down were dropped.

In a few weeks, New Zealanders will vote in a referendum to determine the method of selecting future governments. Fewer than one in 1.000 voters knows the meaning of the referendum alternatives. By contrast, only one in 10,000 does not know that the All Blacks were beaten by Australia by only one point in early July.

This means that every child and adult in the country has access to ample facilities in any sport they choose, People of all ages are actively encour aged through governmentbacked community service TV advertising to "have a go" and participate in some sporting activity.

Other aspects of the New Zealand lifestyle and environment help to encourage sporting prowess. The country's clean air, congenial climate, good quality housing, easy access to beach, bush and countryside, outdoor living and plenty of healthy food -even for the less well-off - all provide a solid base to encourage and develop sporting abii-

The shoreline is the fifth largest in the world. With its numerous natural harbours, ideal environment for water sports. The colourful sight of thousands of yachts on the sprawling Auckland harbour on summer weekends has earned it the title of City of Sails. Children aged 10 to 12, in specially designed small yachts, have their own competition races. These help to develop their skill from an

early age.
At the last two Olympics, New Zealand won several medals in yachting, canoeing, kayaking and sailboard riding. It has been a major competitor Terry Hall in the Whithread Race and in

the America's Cup.
One big disadvantage for world class New Zealand sportsmen or teams is distance. To compete in the porthern hemisphere or the US where most world championships are staged is costly in time and money.

To send the country's equestrian team to the Barcelona Olympics will cost more than NZ\$250,000 (£80,000). Ternage girls, members of the hundreds of pony clubs around New Zealand, have contributed to the team's fund-raising. This is one sport in which the country has high hopes of winning a medal. The team includes Mark Todd, a champlon rider hoping to gain his third successive gold medal.

The cost of sending the full Olympic team of 138 athletes will be more than N2\$3m (Lim).

Without financial support, topline individuals or sporting bodies would not be able to compete in international events to the same extent as they do now. Helping to meet some of the costs is the Hillary Commission, a government-appointed body which this year has NZ\$24m from lottery profits to fund sporting organisa-

While some of the funds will help to finance the Olympic team, a considerable amount of money is spread widely to encourage all types of sporting and leisure activity. Each year, hundreds of organisations benefit. Some grants are lakes and rivers, this is an modest to help local sports club acquire or build better facilities. Grants can range from helping to build a new mountain but for alpine climbers to providing equipment for a rural softball team.

The major objective is to encourage all New Zealanders of all ages to participate in some form of sporting or lei-sure activity. For continuing sporting success, particularly against larger, wealthier nations, has given New Zealanders confidence and a sense of self-respect.

Dai Hayward

## Patchy recovery on the farm

exchange and lower interest

But it is a patchy recovery. Sheep farmers, while better off. are still struggling. To be profitable the average farmer needs a return of NZ\$40 for lamb but he is getting only \$NZ22, according to the Meat and Wool Board's economic

Yet viewed across all farming sectors, profitability is rising. The rate of return on total farm capital has historically been in the range of 2 to 4 per

cent for sheep and beef farms. But the top group of farms (12 per cent) now show a return of 10 per cent or more on capital and 34 per cent of farms achieve a return of between 5 and 10 per cent.

The major characteristics of the top farms are high stock performance and more livestock units per person. Mr Rob Davison of the Meat and Wool Board's economic service says gross farm incomes could be boosted by a third over the next five years, which would restore profitability to the lev-

els of 15 years ago. The tough times that New Zealand farmers have faced are reflected in the fall in the numbers of animals farmed. In 1961-65 New Zealand exported 40m lambs, but this year only 26m will be available. In 1982 there were 13m more sheep and cattle on farms, and declining profits have forced many farmers to cut back on maintenance, allowing parts of many properties to start

reverting to bush. Despite this, a better-than-expected 1991-92 wool season ended on June 25 on a more confident note. Morale had been low at the start of the season after the suspension of the Wool Board's minimum price scheme left the board holding a stockpile of 565,000 bales, and prices were low due to the international recession and because of the absence of two major buyers, the Soviet

Union and China. However, China resumed buying again, and some improvement in world demand saw a gradual pick-up for the wool market indicator from 370 cents a kg in late November to peak at 535 cents in early June. Then prices weakened again, in line with falling international demand to 468 cents. However, it was a considerable success to reduce the stockpile by around 156,000 bales: this was seen as a great achieve-

New Zealand is the world's largest producer of crossbred wools, used in carpets, and is meeting success in selling to growing markets making handknotted carpets in China, India, Turkey and Iran. The industry hopes that a new marketing plan will boost real returns, which are at a 25-year low. Returns from sheepmeat have been good, and profitability is being boosted by a grow-ing trend for added processing of carcases before export. This year for the first time, more even better in this calendar lambs will be exported in pro-

cessed form than in carcases. The live sheep trade to Saudi Arabia has also been buoyant. Board expects it to earn over \$2bn a year by the end of the decade. While most varieties Beef prices, which hinge on have met strong international US demand, have eased due to demand, there are hopes for a rising worldwide production strong resurgence of interest in squid, which could earn as and recessionary trends which have seen intense competition from pork and chicken. Exports to Korea and other

there were serious concerns

within the industry that

another low payout, similar to

last year's \$3.75 a kg of milkfat from the co-operative dairy hoard would force farmers to walk off their land. However,

an unexpected lift in demand

from October saw the pay-out

from the board rise steadily to end the season at \$NZ5.20, and

farmers will receive additional

payments from their local

dairy companies which could

With forecasters expecting

another good season, dairy

per cent of the country's

Last year New Zealand's

extensive 200-mile economic zone handled 2.5 per cent of the world's tinned fish catch.

In the year to December, it

earned 30 per cent more - at over NZ\$1bn than in 1990, and is said to be on target to do

year. The Fishing Industry

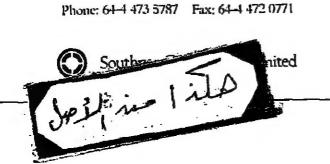
exports.

see them earn \$6 a kg.

much as \$400m a year.
The board says the industry has improved its competitiveparts of Asia are developing ness by 16 per cent in the past 18 months and believes the Dairying is the one really outlook remains promising . bright spot. Nine months ago

## "Auckland it is, but can we bring Fido?"

If you're thinking of coming to live in New Zealand it makes sense to talk to the most experienced immigration consultants in Europe. We've helped thousands of people (and dogs) begin successful new lives on the other side of the world with maximum security and minimum bassle. Visa applications? Finding work? Buying a house? Choosing a school? Packing up and moving out? Talk to David Gooper on (071) 267-3575.



gence of interest. In some provincial districts, such as South-Thinking of starting afresh? land and Canterbury, beef and sheep farmers are converting their properties to dairy cattle. There is some nervousness On the other side of the world there is a new and exciting over further trade reform and otectionism within the EC. Behind the green hills and mountains it is one of the most as well as worries that EC export subsidies will increase. deregulated economics in the world, with one of the lowest rates However there are hopes that of inflation in the OECD and a flexible and open labour the Gatt round can be satisfactorily settled, as an agreement could avoid a further round of Add to that some of the cleanest and most beautiful negotiations over access to the important British market. New countryside in the world and who could blame anyone for Zealand's current access is wanting to move there. restricted to 55,000 tonnes, but If you are interested in starting afresh in New Zeuland and under the present proposals it could be lifted to 76,000 tonnes, would like to know how easy and straightforward it is, phone the average for the three years 0891 200 244 for your free information pack. between 1986 and 1988. (Mop per min chesp rate, 48p per min all other times). The dairy industry is meeting good demand for cheese The new New Zealand dairy powder in Asia, the New Zealand Immigration Service Middle East and Latin America. A good wet season has encouraged farmers to boost ment in a world recession. output, and there is substantial investment in new technology. Fishing has turned into a winner: helped by a worldwide shortage of white fish. This industry now accounts for 5